



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

JOSH STEIN • Governor

DEVPUTTA SANGVAI • Secretary

JAY LUDLAM • Deputy Secretary, NC Medicaid

January 12, 2026

Devdutta Sangvai
Secretary
North Carolina Department of Health and Human Services
101 Blair Drive
2001 Mail Service Center
Raleigh, NC 27699

Dear Secretary Sangvai:

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, 2026.

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, Partners, 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 four Local Management Entity/Managed Care Organizations (Alliance, Partners, 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:


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

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

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	98.82%	Compliant	99.98%	Compliant	99.93%	Compliant
Partners Health Management	98.93%	Compliant	99.95%	Compliant	99.97%	Compliant
Trillium Health Resources	100.00%	Compliant	100.00%	Compliant	99.99%	Compliant
Vaya Health	99.42%	Compliant	100.00%	Compliant	100.00%	Compliant

Data is based on a statistical sample of Medicaid claims processed from March of 2025 through August of 2025 for each LME/MCO (Eastpointe and Sandhills ceased operations in January of 2024).

Solvency Review: Current Ratio Summary Findings												
Month	March		April		May		June		July		August	
LME/MCO												
Alliance Health	2.14	Yes	2.12	Yes	1.72	Yes	2.13	Yes	2.01	Yes	2.00	Yes
Partners Health Management	1.67	Yes	1.99	Yes	1.60	Yes	2.19	Yes	2.65	Yes	2.40	Yes
Trillium Health Resources	1.86	Yes	1.82	Yes	1.63	Yes	1.80	Yes	1.92	Yes	2.03	Yes
Vaya Health	2.87	Yes	3.01	Yes	2.26	Yes	3.15	Yes	3.46	Yes	2.94	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2025 through August of 2025 for each LME/MCO (Eastpointe and Sandhills ceased operations in January of 2024).

Solvency Review: Total Expenses to Total Medicaid Revenue Summary Findings												
Month	March		April		May		June		July		August	
LME/MCO												
Alliance Health	105%	No	98%	Yes	104%	No	89%	Yes	101%	No	102%	No
Partners Health Management	104%	No	81%	Yes	103%	No	91%	Yes	94%	Yes	100%	No
Trillium Health Resources	89%	Yes	107%	No	96%	Yes	100%	No	98%	Yes	103%	No
Vaya Health	103%	No	101%	No	100%	No	96%	Yes	99%	Yes	95%	Yes

Analysis based on data submitted to DHB through standard monthly financial reporting templates for March of 2025 through August of 2025 for each LME/MCO (Eastpointe and Sandhills ceased operations in January of 2024).

Solvency Review: Defensive Interval Summary Findings												
Month	March		April		May		June		July		August	
LME-MCO												
Alliance Health	87.79	Yes	92.23	Yes	68.21	Yes	77.50	Yes	80.52	Yes	84.72	Yes
Partners Health Management	47.44	Yes	41.29	Yes	34.70	Yes	34.03	Yes	40.65	Yes	40.84	Yes
Trillium Health Resources	63.69	Yes	47.46	Yes	69.74	Yes	30.60	Yes	54.37	Yes	43.67	Yes
Vaya Health	83.44	Yes	75.46	Yes	60.10	Yes	75.96	Yes	73.13	Yes	81.18	Yes

Data is based on a statistical sample of Medicaid claims processed from March 1, 2025 through August 31, 2025 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
Partners Health Management	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 1, 2025 through August 31, 2025 for each LME/MCO.

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