

## STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER GOVERNOR MANDY COHEN, MD, MPH
SECRETARY

December 16, 2019

## SENT VIA ELECTRONIC MAIL

The Honorable Josh Dobson, Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 307B, Legislative Office Building Raleigh, NC 27603-5925

The Honorable Donny Lambeth, Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 303, Legislative Office Building Raleigh, NC 27603-5925 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 27603-5925

#### 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.

The Department has thus far been unable to provide current information on single stream funding (SSF) expenditures for this state fiscal year without passage of a final budget. However, consistent with NCGS § 143B-137.1, 122C-143.1, and 122C-147.1, the Secretary of Health and Human Services has the authority to allocate SSF to the LME/MCOs. Pursuant to Session Law 2018-5, Section 11.F.2.(b) and NCGS § 143C-5-4(b)(1) the Secretary also can adjust the specified recurring and nonrecurring reductions among the LME/MCOs. Under this authority, DMH/DD/SAS has, as of December 2019, reallocated the single stream funding to equitably spread dollars across the LME-MCOs. Accordingly, this report will resume next month to reflect the LME-MCO's SSF spend against that reallocation.

The Department continues to work with the LME-MCOs and to monitor their use of single stream funds. Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and IDD, at (919) 733-7011.

Sincerely,

Mandy Cohen, MD, MPH

Secretary

Kody H. Kinsley

Deputy Secretary for Behavioral Health & IDD

North Carolina Department of Health and Human Services

Kody Kinsley cc:

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SECRETARY

December 16, 2019

### SENT VIA ELECTRONIC MAIL

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.

The Department has thus far been unable to provide current information on single stream funding (SSF) expenditures for this state fiscal year without passage of a final budget. However, consistent with NCGS § 143B-137.1, 122C-143.1, and 122C-147.1, the Secretary of Health and Human Services has the authority to allocate SSF to the LME/MCOs. Pursuant to Session Law 2018-5, Section 11.F.2.(b) and NCGS § 143C-5-4(b)(1) the Secretary also can adjust the specified recurring and nonrecurring reductions among the LME/MCOs. Under this authority, DMH/DD/SAS has, as of December 2019, reallocated the single stream funding to equitably spread dollars across the LME-MCOs. Accordingly, this report will resume next month to reflect the LME-MCO's SSF spend against that reallocation.

The Department continues to work with the LME-MCOs and to monitor their use of single stream funds. Should you have any questions, please contact Kody Kinsley, Deputy Secretary for Behavioral Health and IDD, at (919) 733-7011.

Sincerely,

Mandy Cohen, MD, MPH

Secretary

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