

North Carolina Department of Health and Human Services

Pat McCrory Governor Richard O. Brajer Secretary

Adam Sholar Legislative Counsel Director of Government Affairs

October 1, 2015

SENT VIA ELECTRONIC MAIL

The Honorable Ralph Hise, Co-Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 1026, Legislative Building Raleigh, NC 27603 The Honorable Justin Burr, Co-Chair Joint Legislative Oversight Committee on Health and Human Services North Carolina General Assembly Room 307A, Legislative Office Building Raleigh, NC 27603-5925

Dear Chairmen:

North Carolina General Statute 131E-314 requires the Division of Medical Assistance (the Division or DMA) of the Department of Health and Human Services to report quarterly to the Joint Legislative Oversight Committee on Health and Human Services on the Division's regulatory activities in the enforcement of Article 17 of Chapter 131E, which provides for the licensure of Provider Sponsored Organizations (PSOs). DMA is also to provide, among other things, the Committee with a summary of non-confidential information on the financial plans and operations of PSOs, and the Division is to include a description and explanation of any regulations or regulatory interpretations that differ from Department of Insurance regulations applicable to HMOs, as well as PSO efforts to improve community health status.

Currently, the Division reports that no such PSOs report operation in the State of North Carolina, and as such, the Division has nothing to report.

Sincerely,

Adam Sholar

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