



North Carolina Department of Health and Human Services

Pat McCrory
Governor

Richard O. Brajer
Secretary

Dale Armstrong
Deputy Secretary of Behavioral Health
and Developmental Disabilities Services

October 19, 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:

Section 12F.2.(c) of North Carolina Session Law 2015-241, enacted on September 18, 2015, requires the Department of Health and Human Services ("Department") to modify the monthly reporting package submitted by the 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. Further, the Department is also to submit these reports to the Joint Legislative Oversight Committee on Health and Human Services by the third Monday of each month beginning in October 2015.

The Department appreciates and shares the desire for more detailed, consolidated monthly expenditure reports on the part of LME/MCOs for single stream state funds. As such, the Department's Division of Mental Health, Developmental Disabilities and Substance Abuse Services (DMHDDSAS), in coordination with the Division of Medical Assistance (DMA), has initiated the process of revising Schedule D. This process requires determining all of the possible line items and codes that need to be included on each Schedule D. The current line items and codes will not be exactly the same as those used for Medicaid funds on Schedule D because the LME-MCOs have greater flexibility in their use of state funds.

We expect to finalize the mapping of line items and codes and inclusion of them in the state funded portion of each D schedule by mid-November. Due to the reporting cycle and the need for LME/MCOs to re-program their financial reporting systems and time required for internal testing and validation, it is likely that the LME/MCOs will be able to begin reporting the new information in their January reports. We look forward to submitting these more comprehensive, standardized, and detailed reports to the NC General Assembly.

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Should you have any questions, please contact Courtney Cantrell, Director of the Division of Mental Health, Developmental Disabilities and Substance Abuse Services at (919) 733-7011.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale Armstrong", with a large, stylized flourish extending from the end of the signature.

Dale Armstrong
Deputy Secretary for Behavioral Health

cc:	Secretary Richard O. Brajer	Steve Owen	Susan Jacobs
	Dave Richard	Rod Davis	Theresa Matula
	Marjorie Donaldson	Sarah Newton	repts@ncleg.net
	Joyce Jones	Brandon Greife	