



RICHARD O. BRAJER
Secretary

Jason E. Vogler, Ph.D., CSSBB
Interim Senior Director

September 19, 2016

SENT VIA ELECTRONIC MAIL

The Honorable Marilyn Avila, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 2217, Legislative Building
Raleigh, NC 27601

The Honorable Josh Dobson, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 301N, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Louis Pate
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 1028, Legislative Building
Raleigh, NC 27601

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.





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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 revised the state funded portion of Schedule D2, and included the addition of schedules that show unduplicated recipients of mental health disorders, intellectual and developmental disability, and substance use disorder services. The final Financial Reporting workbook for both DMHDDSAS and DMA was distributed to the LME-MCO Finance Officers for use during the 2016-17 state fiscal year. Due to the process for certifying the state budget and distributing allocations to the LME-MCOs, the first submission of the revised Financial Reporting workbook will be October, 2016.

The August report to the Joint Legislative Oversight Committee included preliminary figures for the end-of-year summary report. The attached table and graph represents the final Single Stream Fund expenditure report for state fiscal year 2015-16. At the close of June, the target for Single Stream Fund expenditures was 100% of the total for the fiscal year. 100% represents the apportionment of expenditures that would indicate that the LME/MCOs expended the same amount of funds for services that were spent fiscal year 2014-2015. The statewide spending level in both the preliminary report and the final report, as attached, was at 109%.

DMHDDSAS will continue to monitor all of the legislative requirements from Section 12F and provide updates to the Joint Legislative Oversight Committee monthly.

Should you have any questions, please contact me at (919) 733-7011.

Sincerely,

Jason Vogler, PhD
Division of Mental Health, Developmental Disabilities and Substance Abuse Services
Acting Director

Attachment 1





*Mental Health,
Developmental Disabilities,
and Substance Abuse Services*
HEALTH AND HUMAN SERVICES

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Jason E. Vogler, Ph.D., CSSBB
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Attachment I

FY16 - Reported Expenditures of Single Stream Funds by LME/MCO

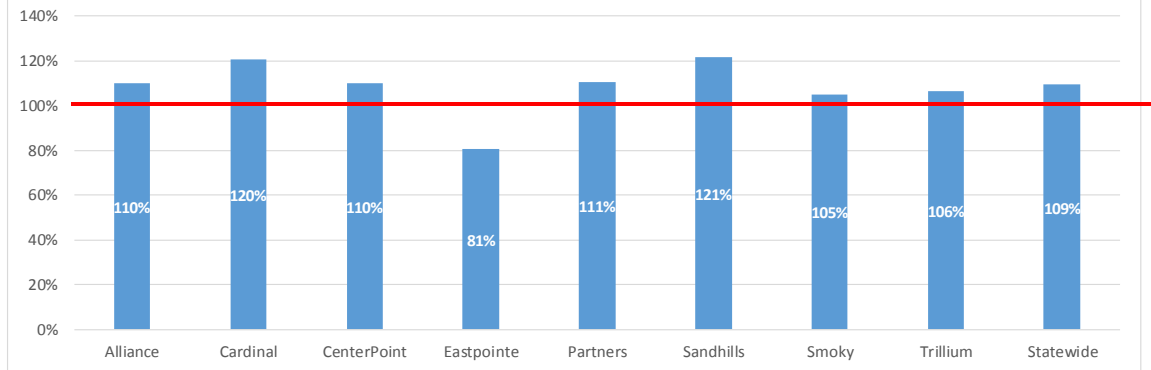
Reported Expenditures through month: **FY16 Year End**

Target %: 100% or more

LME/MCO	Reported SS Earnings	SS Allocation	Service Level Req.	Reported SS as % of Alloc	Reported SS as % of Svc Level Req
Alliance	\$ 42,354,633	\$ 27,940,494	\$ 38,535,086	152%	110%
Cardinal	\$ 67,248,565	\$ 50,607,032	\$ 55,828,499	133%	120%
CenterPoint	\$ 15,684,335	\$ 11,366,311	\$ 14,285,113	138%	110%
Eastpointe	\$ 20,977,173	\$ 18,467,810	\$ 26,027,763	114%	81%
Partners	\$ 31,418,547	\$ 18,327,293	\$ 28,392,683	171%	111%
Sandhills	\$ 30,979,334	\$ 11,201,156	\$ 25,521,488	277%	121%
Smoky	\$ 43,972,948	\$ 35,820,531	\$ 41,883,208	123%	105%
Trillium	\$ 36,786,528	\$ 29,992,158	\$ 34,544,921	123%	106%
Statewide	\$289,422,064	\$203,722,785	\$265,018,761	142%	109%

Pink Highlights Below Target

FY16 YTD - Reported Single Stream Expenditures as % of Annual Service Requirement



Notes: The NonUCR portion of Single Stream Earnings is based on unaudited self-report from LME/MCOs.

9/12/2016

Effective with the May report, Trillium's Service Level Req. has been reduced by \$3,745,555, the amount of CoastalCare's services that were paid for by sources other than single stream funding.

Effective with the June Report, Community Crisis expenditures are included in MH MOE calculations (but not in Single Stream).

Reinstated Single Stream funds (\$30m) are not included in FY16, and will be included in FY17 based on date of disbursement.



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