



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

**ROY COOPER** • Governor

**MANDY COHEN, MD, MPH** • Secretary

**DAVE RICHARD** • Deputy Secretary, NC Medicaid

June 30, 2021

Mandy Cohen, M.D., MPH  
Secretary  
North Carolina Department of Health and Human Services  
101 Blair Drive  
2001 Mail Service Center  
Raleigh, NC 27699

Dear Secretary Cohen:

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 August 1, 2021.

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, Cardinal Innovations, Eastpointe, Partners, Sandhills, Vaya Health, and Trillium.

At this time, based on the attached records, the Division of Health Benefits (DHB) is attesting that all seven organizations are appropriate for certification. Additionally, the Intradepartmental Monitoring Team (including DHB and the Division of Mental Health, Developmental Disabilities and Substance Abuse Services staff) determines that all seven LME-MCOs have made adequate provisions against the risk of insolvency based on quarterly financial reports submitted to DHHS.

Sincerely,

DocuSigned by:  
A handwritten signature in blue ink that reads "Dave Richard".  
11395D232A054A2...

Dave Richard  
Deputy Secretary for NC Medicaid

Attachments

**NC MEDICAID**

**NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS**

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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	99.42%	Compliant	99.99%	Compliant	99.99%	Compliant
Cardinal Innovations	100%	Compliant	99.96%	Compliant	99.97%	Compliant
Eastpointe Behavioral Health	100%	Compliant	99.95%	Compliant	99.97%	Compliant
Partners Behavioral Healthcare	100%	Compliant	100%	Compliant	100%	Compliant
Sandhills Center	100%	Compliant	99.97%	Compliant	99.98%	Compliant
Trillium Health Resources	100%	Compliant	99.99%	Compliant	99.98%	Compliant
Vaya Health	99.93%	Compliant	99.84%	Compliant	99.92%	Compliant

Data is based on a statistical sample of Medicaid claims processed between September 2020 through February 2021 for each LME/MCO.

Solvency Review: Current Ratio Summary Findings												
Month	September		October		November		December		January		February	
LME/MCO												
Alliance Health	2.77	Yes	2.79	Yes	2.70	Yes	2.84	Yes	2.88	Yes	2.75	Yes
Cardinal Innovations	1.66	Yes	1.58	Yes	1.59	Yes	1.89	Yes	1.83	Yes	1.75	Yes
Eastpointe Behavioral Health	1.98	Yes	2.03	Yes	2.07	Yes	2.29	Yes	2.28	Yes	2.45	Yes
Partners Behavioral Healthcare	2.33	Yes	2.33	Yes	2.26	No	2.24	Yes	2.28	Yes	2.38	Yes
Sandhills Center	3.69	Yes	3.10	Yes	3.81	Yes	3.90	Yes	5.16	Yes	5.11	Yes
Trillium Health Resources	1.47	Yes	1.59	Yes	1.64	Yes	1.59	Yes	1.40	Yes	1.42	Yes
Vaya Health	3.22	Yes	2.73	Yes	2.73	Yes	2.35	Yes	2.41	Yes	2.32	Yes

Data is based on financial information combined for State and Medicaid funds from September 2020 through February 2021 for each LME/MCO.

Solvency Review: Total Expenses to Total Medicaid Revenue Summary Findings												
Month	September		October		November		December		January		February	
LME/MCO												
Alliance Health	89%	Yes	87%	Yes	92%	Yes	83%	Yes	95%	Yes	96%	Yes
Cardinal Innovations	88%	Yes	96%	Yes	90%	Yes	87%	Yes	90%	Yes	102%	No
Eastpointe Behavioral Health	87%	Yes	103%	No	84%	Yes	80%	Yes	96%	Yes	80%	Yes
Partners Behavioral Healthcare	90%	Yes	94%	Yes	92%	Yes	93%	Yes	98%	Yes	89%	Yes
Sandhills Center	84%	Yes	91%	Yes	85%	Yes	91%	Yes	87%	Yes	92%	Yes
Trillium Health Resources	109%	No	102%	No	95%	Yes	105%	No	106%	No	88%	Yes
Vaya Health	92%	Yes	102%	No	90%	Yes	92%	Yes	92%	Yes	85%	Yes

Data is based on financial information combined for State and Medicaid funds from September 2020 through February 201 for each LME/MCO.

Solvency Review: Defensive Interval Summary Findings												
Month	September		October		November		December		January		February	
LME-MCO												
Alliance Health	65.50	Yes	75.88	Yes	74.73	Yes	91.42	Yes	80.72	Yes	75.35	Yes
Cardinal Innovations	46.51	Yes	47.67	Yes	54.52	Yes	64.43	Yes	64.29	Yes	53.09	Yes
Eastpointe Behavioral Health	32.50	Yes	41.50	Yes	43.60	Yes	55.02	Yes	41.89	Yes	51.68	Yes
Partners Behavioral Healthcare	67.71	Yes	65.98	Yes	71.03	Yes	75.56	Yes	71.16	Yes	71.10	Yes
Sandhills Center	78.75	Yes	79.17	Yes	82.97	Yes	84.02	Yes	81.68	Yes	75.43	Yes
Trillium Health Resources	31.48	Yes	37.87	Yes	38.90	Yes	33.33	Yes	33.93	Yes	39.74	Yes
Vaya Health	78.21	Yes	78.54	Yes	90.54	Yes	97.26	Yes	96.93	Yes	100.36	Yes

Data is based on financial information combined for State and Medicaid funds from September 2020 through February 2021 for each LME/MCO.

<b>HIPAA Transaction Review: Summary Findings</b>					
<b>Audit Type</b>	<b>Enrollment (820)</b>	<b>Benefit Enrollment and Maintenance Set (834)</b>	<b>Health Care Claim Transaction Set (837i and 837p)</b>	<b>Health Care Claim Payment / Advice Transaction Set (835)</b>	<b>Health Care Eligibility / Benefit Inquiry and Response (270/271)</b>
<b>LME-MCO</b>					
<b>Alliance Health</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Cardinal Innovations</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Eastpointe Behavioral Health</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Partners Behavioral Healthcare</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Sandhills Center</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Trillium Health Resources</b>	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Vaya Health</b>	Compliant	Compliant	Compliant	Compliant	Compliant

Data is based on a statistical sample of Medicaid claims processed from September 2020 through February 2021 for each LME/MCO.

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