



STATE OF NORTH CAROLINA  
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER  
GOVERNOR

MANDY COHEN, MD, MPH  
SECRETARY

July 30, 2021

**SENT VIA ELECTRONIC MAIL**

Mr. Mark Trogon, Director  
Fiscal Research Division  
Suite 619, Legislative Office Building  
Raleigh, NC 27603-5925

Dear Director Trogon:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each, local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)/(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

Based upon (1) an internal review by an intradepartmental monitoring team comprised of individuals from the Division of Medical Assistance and the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, and (2) an external review by the Carolinas Center for Medical Excellence contractor HMS, thereby certifies that the following LME/MCOs are in compliance with the requirements of N.C.G.S. § 122C-124.2(b): Alliance, Cardinal Innovations, Eastpointe, Partners, Sandhills, VayaHealth, and Trillium.

While all of the LME/MCOs meet the requirements of the law, we do believe it is appropriate to revisit and refine the solvency standards. North Carolina's mental health landscape and the LME/MCO managed care system has evolved since its inception while measures and standards, including solvency requirements, are different today than when the legislation was passed. The department intends to work with the General Assembly and other stakeholders to review and adjust the financial measures to balance the solvency of the organizations and the need to reinvest in critical mental health initiatives.

[WWW.NCDHHS.GOV](http://WWW.NCDHHS.GOV)

TEL 919-855-4800 • FAX 919-715-4645

LOCATION: 101 BLAIR DRIVE • ADAMS BUILDING • RALEIGH, NC 27603

MAILING ADDRESS: 2001 MAIL SERVICE CENTER • RALEIGH, NC 27699-2000

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

A summary of the certification is attached for your review. Please feel free to contact me with any suggestions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mandy K. Cohen". The signature is fluid and cursive, with the first name "Mandy" being more prominent.

Mandy Cohen, MD, MPH  
Secretary

cc:	Matt Gross	Meisha Evans	Rob Kindsvatter	Dave Richard	Kody Kinsley
	Joyce Jones	Jared Simmons	Katherine Restrepo	Marjorie Donaldson	Lisa Wilks
	Theresa Matula	Erin Matteson	<a href="mailto:reports@ncleg.net">reports@ncleg.net</a>	Mark Collins	Jessica Meed
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**SENT VIA ELECTRONIC MAIL**

The Honorable Donna White, Chair  
House Appropriations Committee on  
Health and Human Services  
Room 307, Legislative Office Building  
Raleigh, NC 27603

The Honorable Larry Potts, Chair  
House Appropriations Committees on  
Health and Human Services  
Room 307C1, Legislative Office Building  
Raleigh, NC 27603

The Honorable Kristin Baker, Chair  
House Appropriations Committee on  
Health and Human Services  
Room 306A3, Legislative Office Building  
Raleigh, NC 27603

The Honorable Wayne Sasser, Chair  
House Appropriations Committees on  
Health and Human Services  
Room 529, Legislative Office Building  
Raleigh, NC 27603

Dear Chairmen:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each, local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

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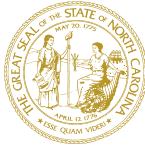
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**SENT VIA ELECTRONIC MAIL**

The Honorable Joyce Krawiec, Chair  
Senate Appropriation Committees on  
Health and Human Services  
Room 308, Legislative Office Building  
Raleigh, NC 27603

The Honorable Jim Burgin, Chair  
Senate Appropriations Committee on  
Health and Human Services  
Room 620, Legislative Office Building  
Raleigh, NC 27603

The Honorable Jim Perry, Chair  
Senate Appropriation Committees on  
Health and Human Services  
Room 311, Legislative Office Building  
Raleigh, NC 27603

Dear Chairmen:

Section 122C-124.2(a) of the North Carolina General Statutes requires the Secretary of Health and Human Services to certify whether each, local management entity/managed care organization (LME/MCO) approved to operate the 1915(b)(c) Medicaid Waiver is in compliance with the requirements of G.S. § 122C-124.2(b). Those certifications shall be made every six months, beginning August 1, 2013, and be based on an appropriate internal and external assessment.

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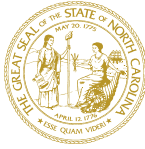
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The Honorable Donny Lambeth, Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
Room 303, Legislative Office Building  
Raleigh, NC 27603

The Honorable Joyce Krawiec, Chair  
Joint Legislative Oversight Committee on  
Health and Human Services  
Room 308, Legislative Office Building  
Raleigh, NC 27603

Dear Chairmen:

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