

STATE OF NORTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

June 8, 2022

SENT VIA ELECTRONIC MAIL

The Honorable Jim Perry, Chair Joint Legislative Oversight Committee on Medicaid and NC Health Choice North Carolina General Assembly Room 311, Legislative Office Building Raleigh, NC 27603 The Honorable Donny Lambeth, Chair Joint Legislative Oversight Committee on Medicaid and NC Health Choice North Carolina General Assembly Room 303, Legislative Office Building Raleigh, NC 27603

Dear Chairmen:

Session Law 2021-180, Section 9D.18.(b) requires the Department of Health and Human Services, Division of Health Benefits (DHB), to submit an initial report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Fiscal Research Division on the evaluation of needs in the managed care environment as it pertains to the implementation of capitated contracts for standard benefit plans for PHPs. The report shall include planned staffing and administrative changes, including any changes to contractual agreements with vendors, to align more appropriately with a managed care delivery environment for the Medicaid and NC Health Choice programs. The report shall also include a detailed timeline for making changes within DHB as managed care continues. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions regarding this report, please contact John Furnari, Program/Policy Analyst, at John.Furnari@dhhs.nc.gov.

Sincerely,

— DocuSigned by:

Kody H. Kinsley Secretary

cc: Mark Collins Theresa Matula Nathan Babcock Joyce Jones Katherine Restrepo reports@ncleg.gov Lisa Wilks Amy Jo Johnson Jessica Meed Luke MacDonald



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

Dear Director Trogdon:

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— D7816E4CBA6F4A8... Kody H. Kinsley

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