STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

May 24, 2021

Mr. Andrew M. Lucas
County Manager
Stanly County Government
1000 N. First Street, Suite 10
Albemarle, NC 28001

Re: Stanly County LME/MCO Disengagement and Realignment

Dear Mr. Lucas:

The Department has finalized its review of Stanly County's decision to disengage from Cardinal Innovations LMC/MCO and realign with Partners Behavioral Health Management LME/MCO. This review followed the rules for disengagement that went into effect on February 1, 2017.

The Stanly County Board of County Commissioners voted unanimously to begin the process to disengage from Cardinal and realign with Partners on November 9, 2020. Since that time the County Commissioners engaged in their due diligence to determine whether such a decision was in the best interest of its residents. They engaged in public comment and reviewed all the factors set out in statute and rule. Stanly County Commissioners then passed a resolution on March 15, 2021 unanimously adopting a disengagement plan to disengage from Cardinal and realign with Partners.

Based upon our review of this information, I have determined that Stanly met the requirements of the statute and the eleven factors set out in the rule. The disengagement and realignment will not adversely affect the quality, variety, and amount of services for Stanly County residents receiving services

I have also reviewed the public comments where consumers expressed concerns about disruption of services and stability. I believe Stanly County's plan to transition services with oversight from DHHS must be augmented to address these concerns.

Therefore, in accordance with NCGS § 122C-115(a3) and the county disengagement rules, the Department is approving, with conditions as set out below, Stanly County's realignment with Partners, with an effective date of September 1, 2021.

First, the Realignment Committee which Stanly County established as part of its transition planning is a good first step, however, Stanly County must include representatives from executive leadership from Cardinal, CFAC members, and providers on the committee. The Department will look to this committee to carefully steward this transition and ensure it is seamless for all individuals. Representatives of this committee will be part of the

regularly scheduled calls between DHHS staff and LME/MCO staff to monitor the transition plan and progress. In addition, the timing of this disengagement coincides with going live with standard plans under Medicaid reform. This could create additional confusion for the citizens of Stanly County if communication and transition activities are not handled with great care. This Realignment Committee must also ensure that communications regarding transitions to Partners is clearly communicated and will not cause confusion.

Of specific concern are the individuals currently in the Transitions to Community Living (TCLI) program. Partners must ensure that these individuals continue to receive the in-reach, transition coordination, housing access and acquisition, and integrated behavioral and medical services, supported employment and education, and community inclusion they currently are receiving from Cardinal in accordance with the terms of the settlement agreement with the United States Department of Justice.

No later than June 30, 2021, Stanly County's Realignment Committee, Cardinal, and Partners, in collaboration with each other, must complete and submit to both DMH/DD/SAS and NC Medicaid a detailed joint plan to accomplish the full realignment, including milestone dates. This detailed plan must detail how Stanly County, Cardinal, and Partners will ensure that there are no gaps in service coverage for recipients. DMH/DD/SAS and NC Medicaid staff will also create their work plan for the work that the Department must undertake to achieve the transition.

The relevant LME/MCO contracts will remain in place as per their terms through midnight June 30, 2021. New contracts with an effective date of July 1, 2021, will reflect the realignment effective date of September 1, 2021.

I expect all parties to cooperate fully in this realignment process, including the sharing of client information necessary to ensure continuity of care, without disruption for the providers and consumers in Stanly County.

Should you have any questions or need additional information, please contact Tasha Griffin in NC Medicaid, at tasha.griffin@dhhs.nc.gov or Yvonne French in DMH/DD/SAS at yvonne.french@dhhs.nc.gov.

Sincerely,



Mandy K. Cohen, MD, MPH
Secretary

cc: JLOC Health and Human Services Chairs
Rhett Melton, CEO, Partners Health
Partners Health Board of Directors
Trey Sutten, CEO, Cardinal Innovations
Cardinal Board of Directors
Stanly County Board of County Commissioners
Rutherford County Board of County Commissioners
Burke County Board of County Commissioners
Cleveland County Board of County Commissioners
Gaston County Board of County Commissioners
Catawba County Board of County Commissioners
Lincoln County Board of County Commissioners
Iredell County Board of County Commissioners
Yadkin County Board of County Commissioners
Surry County Board of County Commissioners
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