

DMA LEGISLATIVE REPORTING FOR 2017 QUARTER 1

1. DMA Regulatory Activities/Provider Sponsored Organizations (PSOs) Report, required by G.S. § 131E-314 [January 1, 2017]
NOTE: There are no Provider Sponsored Organizations enrolled as Medicaid-enrolled providers in NC.
2. Medicaid Transformation Report, required by S.L. 2015-245, Section 13 [January 1, 2017]
3. NC Chronic Disease Reduction and Statewide Coordinator Report, required by G.S. § 130A-222.5 [January 1, 2017]
4. Coordination of Diabetes Programs Report, G.S. § 130A-221.1 [January 1, 2017]
5. LME-MCO Certification of Compliance, required by S.L. 2013-85 [February 1, 2017]
6. County Hold Harmless for Repealed Local Taxes, required by G.S. § 105-523(d) [February 24, 2017]
7. Behavioral Health Clinical Integration and Performance Monitoring (Total Care) Report, required by S.L. 2013-360, Section 12F.4A(e) [March 1, 2017]

Reports are public record and available upon request. Please email Virginia Niehaus at virginia.niehaus@dhhs.nc.gov

Reporting Requirement Legislation Excerpts

1. § 131E-314. Division Reporting.

The Division of Medical Assistance of the Department of Health and Human Services shall report quarterly to the Joint Legislative Oversight Committee on Health and Human Services on its regulatory activities in the enforcement of this Article and shall provide the Committee with a summary of nonconfidential information on the financial plans and operations of PSOs. The report to the Committee shall include a description and explanation of any regulations or regulatory interpretations that differ from Department of Insurance regulations applicable to HMOs. The report shall also include PSO efforts to improve community health status. The Division shall develop processes or methods to measure improvements in health outcomes for Medicare beneficiaries served by managed care organizations and shall report quarterly to the Joint Legislative Oversight Committee on Health and Human Services on the development of these standards.

2. S.L. 2015-245, Section 13 Medicaid Transformation and Reorganization

Develop and present to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Office of State Budget and Management by January 1 of each year, beginning in 2017, the following information for the Medicaid and NC Health Choice programs:

- a. A detailed four-year forecast of expected changes to enrollment growth and enrollment mix.
- b. What program changes will be made by the Department in order to stay within the existing budget for the programs based on the next fiscal year's forecasted enrollment growth and enrollment mix.
- c. The cost to maintain the current level of services based on the next fiscal year's forecasted enrollment growth and enrollment mix.

3. § 130A-222.5. Department to coordinate chronic care initiatives.

The Department's Divisions of Public Health and Medical Assistance and the Division in the Department of State Treasurer responsible for the State Health Plan for Teachers and State Employees shall collaborate to reduce the incidence of chronic disease and improve chronic care coordination within the State by doing all of the following:

- (1) Identifying goals and benchmarks for the reduction of chronic disease.
- (2) Developing wellness and prevention plans specifically tailored to each of the Divisions.
- (3) Submitting an annual report on or before January 1 of each odd-numbered year to the Senate Appropriations Committee on Health and Human Services, the House Appropriations Subcommittee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division that includes at least all of the following:
 - a. The financial impact and magnitude of the chronic health conditions in this State that are most likely to cause death and disability, including, but not limited to, chronic cardiovascular disease, oncology, stroke, chronic lung disease, and chronic metabolic disease. . .
 - b. An assessment of the benefits derived from wellness and prevention programs and activities implemented within the State with the goal of coordinating chronic care. . .
 - c. A description of the level of coordination among the Divisions of Public Health and Medical Assistance and the Division in the Department of State Treasurer responsible for the State Health Plan for Teachers and State Employees with respect to activities, programs, and public education on the prevention, treatment, and management of the chronic health conditions identified in subdivision a. of this subdivision.
 - d. Detailed action plans for care coordination of multiple chronic health conditions in the same patient, including a range of recommended legislative actions. . .
 - e. A detailed budget identifying all costs associated with implementing the action plans identified in subdivision d. . .

4. § 130A-221.1. Coordination of diabetes programs.

(a) The Division of Medical Assistance and the Diabetes Prevention and Control Branch of the Division of Public Health, within the Department of Health and Human Services; in addition to the State Health Plan Division within the Department of State Treasurer; shall work collaboratively to each develop plans to reduce the incidence of diabetes, to improve diabetes care, and to control the complications associated with diabetes. Each entity's plans shall be tailored to the population the entity serves and must establish measurable goals and objectives.

(b) On or before January 1 of each odd-numbered year, the entities referenced in subsection (a) of this section shall collectively submit a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The report shall provide the following:

(1) An assessment of the financial impact that each type of diabetes has on each entity and collectively on the State. This assessment shall include: the number of individuals with diabetes served by the entity, the cost of diabetes prevention and control programs implemented by the entity, the financial toll or impact diabetes and related complications places on the program, and the financial toll or impact diabetes and related complications places on each program in comparison to other chronic diseases and conditions.

(2) A description and an assessment of the effectiveness of each entity's programs and activities implemented to prevent and control diabetes. For each program and activity, the assessment shall document the source and amount of funding provided to the entity, including funding provided by the State.

(3) A description of the level of coordination that exists among the entities referenced in subsection (a) of this section, as it relates to activities, programs, and messaging to manage, treat, and prevent all types of diabetes and the complications from diabetes.

(4) The development of and revisions to detailed action plans for preventing and controlling diabetes and related complications. The plans shall identify proposed action steps to reduce the impact of diabetes, pre-diabetes, and related diabetic complications; identify expected outcomes for each action step; and establish benchmarks for preventing and controlling diabetes.

(5) A detailed budget identifying needs, costs, and resources required to implement the plans identified in subdivision (4) of this subsection, including a list of actionable items for consideration by the Committee.

5. S.L. 2013-85 Effective Operation of 1915 b/c Waiver

The Secretary shall provide a copy of each written, signed certification of compliance or noncompliance completed in accordance with this section 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.

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Compliant local management entity/managed care organization. – An LME/MCO that has undergone an independent external assessment and been determined by the Secretary to be operating successfully and to have the capability of expanding.

6. § 105-523. County hold harmless for repealed local taxes.

(c) Requirement. – If a county's repealed sales tax amount plus its city hold harmless amount for a fiscal year exceeds the county's hold harmless threshold for that fiscal year, the State is required to hold the county harmless for the difference by paying the amount of the difference to the county. The Secretary must withhold from sales and use tax collections under Article 5 of this Chapter the amount needed to make the county hold harmless payments required by this section.

(d) Method. – The Secretary must estimate a county's repealed sales tax amount, city hold harmless amount, and hold harmless threshold for a fiscal year to determine if the county is eligible for a hold harmless payment. The Secretary must send to an eligible county with the distribution made under G.S. 105-472 for March of that year an amount equal to ninety percent (90%) of its estimated hold harmless payment. At the end of each fiscal year, the Secretary must determine each county's hold harmless payment for that year. The Secretary must send by August 15 the remainder of the county's hold harmless payment for the fiscal year that ended on June 30. The Secretary of the Department of Health and Human Services must give the Secretary of Revenue the data needed to determine a county's hold harmless threshold by February 24th of each year, and the data needed for the final calculation of each county's hold harmless threshold by July 24th of each year.

7. S.L. 2013-360, Section 12F.4A Behavioral Health Clinical Integration and Performance Monitoring

(a) The Department of Health and Human Services shall require local management entities, including local management entities that have been approved to operate the 1915(b)/(c) Medicaid Waiver (LME/MCOs), to implement clinical integration activities with Community Care of North Carolina (CCNC) through Total Care, a collaborative initiative designed to improve and minimize the cost of care for patients who suffer from comorbid mental health or substance abuse and primary care or other chronic conditions.

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(e) By no later than March 1, 2014, and semiannually thereafter, the Department shall submit a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the progress, outcomes, and savings associated with the implementation of clinical integration activities with CCNC pursuant to this section.