

November 9, 2020

Dena Diorio
600 East Fourth Street
Charlotte, NC 28202

Manager Diorio,

The public mental health system is one of our greatest shared responsibilities. The health and stability of our most vulnerable citizens is only possible when we partner effectively with counties and each part of the ecosystem - providers, hospitals, non-profits, schools, and faith-based organizations – in meaningful and measurable ways. As a managed care organization for individuals with complex needs, it is our job to ensure that our members, those with Medicaid and who are uninsured, have access to the right care at the right time in the right place. We operate under contract to the Department of Health and Human Services (DHHS), which provides ongoing guidance, oversight, and measurement of our performance. Our counties, and their leadership, help determine the focus of our efforts, and like our members, each county is diverse and has unique needs and goals.

For several months, Cardinal Innovations has engaged in important, candid, and largely productive discussions and meetings with Mecklenburg County, along with our county partners, as well as with our Consumer and Family Advisory Committees (CFACs), our network providers, and other community stakeholders, around the difficulties individuals can experience accessing appropriate and timely behavioral health services. Cardinal takes these conversations seriously.

While each county has distinct challenges, the most pressing issues are consistent:

- Availability of and access to immediate care and placement for children in custody of social services
- Emergency department utilization and timely transitions of care from hospitalization
- Overall network adequacy – the types of services and providers readily available in any community

Cardinal Innovations has undertaken a months-long internal analysis of operations to identify concrete and effective changes we can make to remove barriers to care and better address the needs of our members and our county partners. We have been making progress on many fronts, and our hope is that our efforts, particularly as it relates to more systemic issues like child welfare, can be helpful to begin addressing challenges around the state. The October 23, 2020 letter from the Forsyth and Mecklenburg County Managers to Secretary Cohen and Cardinal's CEO Trey Suttan is welcomed and in line with the culmination of the work we have been doing for some time.

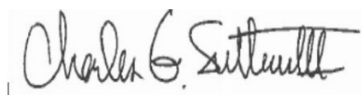
Developed in conjunction with our regulators at NC DHHS, Cardinal Innovations believes the attached Plan of Action effectively addresses the most pressing needs of Forsyth and Mecklenburg Counties.

We believe that our efforts increase access to care, improve care transitions, and reduce unnecessary administrative burden. At the highest level, our plan outlines the following immediate actions:

- Streamline, simplify, and speed the process to connect DSS-related children and adults with Medicaid and non-Medicaid services
- Invest \$30M across all twenty counties to fund immediate and first 30 days of treatment through a sub-capitation payment to the county for every Medicaid-eligible Foster Child in its care, to be used to cover the care and social determinants of health costs incurred by counties serving foster children with behavioral health needs
- Decrease Emergency Department utilization and readmission

Our mission remains to improve the health and wellness of our members and their families, and our commitment is to do the next right thing for those we serve. Our leadership team will reach out to schedule a meeting this week to review the plan in detail and collect your feedback. We look forward to continued collaboration and partnership.

Sincerely,

A handwritten signature in black ink that reads "Charles G. Suttent". The signature is written in a cursive style with a horizontal line extending from the end.

Trey Suttent
CEO, Cardinal Innovations Healthcare

Cardinal Innovations Healthcare - Plan of Action

County Concern/Request	Plan of Action & Measures
<p>1 Authorize or deny requests for enhanced behavioral health services within a time frame of 72 hours or less when medical necessity and/or a Comprehensive Clinical Assessment for “high service need” is submitted (adult wards, foster youth & Individuals with two or more occurrences in the ER within 60 days).</p>	<p>As part of the Child Welfare Program that Cardinal is developing, Cardinal will be removing authorization requirements for a broad category of outpatient and community-based services. Cardinal will begin implementing this within the next 30 days.</p> <p>For services that still require a Treatment Authorization Request, Cardinal will issue approval/denial decision for foster children/juveniles and individuals with two or more occurrences in the Emergency Department within sixty (60) days within 72 Calendar hours after receipt of completed Treatment Authorization Request (TAR).</p> <ul style="list-style-type: none"> • By 12/31/2020, Cardinal will process ≥ 50% of such TARs received each month within 72 hours. • By 2/1/2021, Cardinal will process ≥ 95% of such TARs received each month within 72 hours. <p>Cardinal will co-locate Cardinal staff at county DSS offices to work directly with DSS staff to identify high-needs cases sooner, help to resolve emerging issues, assist in identifying care needs earlier. Co-location models will be flexible to meet the expressed needs of the county. By 12/1/2020, Cardinal will begin to work with Forsyth and Mecklenburg County to implement the co-location of Cardinal staff. Cardinal will implement the co-location of Cardinal staff in all 20 counties by 3/1/2021.</p>
<p>2 Provide seamless BH service provision for high-acuity circumstances to decrease the length of ED stays and the probability of failed discharge planning to appropriate services.</p>	<p>In the spring of 2020, Cardinal partnered with Mecklenburg DSS (and subsequently Cabarrus DSS) and Monarch to create flexibility to State continued-stay criteria for child Facility-Based Crisis services, in order to create seamless transitions for children in need of residential treatment.</p> <p>Cardinal will develop a transition of care program, which will include both hospital inpatient and ED discharge planning program by 12/1/2020 and implement the program in Forsyth and Mecklenburg Counties by 1/1/2021. The goal of this program is to reduce the length of stay in the ED, and improve access to services post-discharge. Cardinal will continue to roll this program out throughout the 20 counties by 3/1/2021.</p> <p>Cardinal currently has implemented an ED care initiative to reduce ED utilization. Cardinal has already achieved a 25% decrease in ED utilization since implementing in late 2019.</p> <p>Cardinal will expand its ED care initiative to perform targeted interventions on a county-by-county basis to reduce ED utilization by 12/1/2020.</p> <p>Effective 1/1/2021, Cardinal will begin providing monthly reports on the ED initiatives.</p> <ul style="list-style-type: none"> • Beginning with ED discharges in July 2021, ED recidivism rate (30 day readmit rate) will be below 22% • Beginning with ED discharges in October 2021, ED recidivism rate (30 day readmit rate) will be below 18%
<p>3 Increase provider accountability for timely authorization by tracking the date of treatment placement and sanctioning penalties when authorization submission is not timely.</p>	<p>Cardinal has been working with providers to reduce the incidents of submission of incomplete TARs (“Unable to Process” TARs).</p> <p>Cardinal currently provides targeted provider education and outreach based on providers’ specific barriers to timely authorization submission, up to and including requiring plans of correction with providers.</p>

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	<p>Effective immediately, Cardinal will expand its provider monitoring activities to include tracking the length of time between a provider’s receipt of a CCA and the date the provider submits a completed TAR.</p>
<p>4 Increase timely access to therapeutic foster home services by discontinuing the requirement for provider agencies to contract their individual therapeutic foster homes with Cardinal Innovations. This process is rigorous and delays these homes being available to provide services. Provider agencies should be able to submit foster homes when new homes are licensed by the agency instead of a quarterly basis. These new homes should be immediately added to the Cardinal network and made available for children in need of therapeutic foster care services.</p>	<p>On 12/2019, Cardinal discontinued a TFC value-based initiative (intended to improve quality of TFC providers and reduce the cherry-picking by TFC providers) that was having the unintended consequence of creating barriers to adding new TFC homes.</p> <ul style="list-style-type: none"> Beginning 9/1/2020, Cardinal has proactively contacted all TFC agencies to add any new/additional sites to their contract with Cardinal. Cardinal has added 92 TFC sites for Mecklenburg and Forsyth counties, combined, since 1/1/2020. <p>To increase the availability of immediate access to care, Cardinal has partnered with preferred TFC providers to enhance the delivery of TFC by creating an emergency/transitional setting option, as well as pairing the service with evidence-based support and high-fidelity wrap-around services. Cardinal expects to have such an agreement with at least one large, multi-county TFC provider by 12/1/2020. Cardinal’s goal is to have agreements with at least 4 additional providers by 1/1/2021.</p> <p>Effective immediately, Cardinal will eliminate site-specific contracting with TFC provider agencies.</p> <p>Within 30 days, Cardinal will eliminate site-specific authorizations for Therapeutic Foster Care (TFC) or Level II Family Type homes.</p>
<p>5 Improve access to State-funded behavioral health services for people who are indigent and do not have Medicaid. These residents are often in need of services but are unable to access them due to a lack of income or health insurance. The amount of State funding available and how to access this resource remains unclear to many staff, service providers, and residents.</p>	<p>Cardinal has scheduled in-depth training for Forsyth and Mecklenburg County DSS staff in November 2020 around the adult service continuum, including:</p> <ul style="list-style-type: none"> The state-funded registry and efforts Cardinal has made to improve how the registry is managed and collaborate with providers on timely filling of open vacancies for residential treatment. The Transitions to Community Living Initiative (TCLI) targeted at community housing placement and supports for adults with SMI/SPMI Strategies that Cardinal employs to connect people on the Registry of Unmet Needs (Innovations waitlist) with Medicaid services, including (b)(3) services, as well as non-Medicaid services. Additional ways and services that Cardinal offers beyond the state service array, including for non-Medicaid residential placements. <p>Cardinal will coordinate with the other 18 counties to schedule these trainings by 12/31/2020.</p> <p>Cardinal will provide at least quarterly webinar trainings on the state-funded eligibility criteria and service array for DSS partners and other community stakeholders.</p> <ul style="list-style-type: none"> Cardinal will conduct pre/post surveys to assess level of understanding pre/post to adjust content as needed. By 3/1/2021, Cardinal will update materials to be provided to members and stakeholders on eligibility and how to access state-funded benefits. Cardinal will work with its CFAC partners to ensure that materials are responsive to member needs and concerns.

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	<ul style="list-style-type: none"> • By 3/1/2021 Cardinal will increase internal training for Care Coordination and Community Operations staff on state funded eligibility and service array to ensure adequate community communication. • By 6/1/2021, Cardinal will develop a member-friendly online training about state funded benefits through its website. • By 6/1/2021, Cardinal will develop a stakeholder online training about state funded benefits through its website.
<p>6 Improve the ease of navigation of behavioral health services for community members and consumers who do not have case-management support. This includes raising awareness of the services that are available, simplifying the process for residents to issue and resolve complaints and ensuring that residents have access to services that are clinically recommended.</p>	<p>Education and outreach</p> <ul style="list-style-type: none"> • By 12/15/2020, Cardinal will develop updated member resources to improve ease of navigation and raise awareness of the service array offered by Cardinal. • Beginning 1/1/2021, Cardinal will begin implementation of a new service model that raises awareness of the Cardinal service array, simplifying the process for members to issue and resolve complaints and ensuring that residents have access to services, including but not limited to: <ul style="list-style-type: none"> ○ Telephonic care coordination support ○ Service coordination through Cardinal’s Access call center ○ New member welcome calls and orientations