



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
DAVE RICHARD • Deputy Secretary, NC Medicaid

August 6, 2021

Dear County Managers:

On July 29, 2021, Secretary Cohen approved the Transition, Consolidation, and Dissolution Agreement to effectuate the consolidation of Cardinal Innovations (“Cardinal”) and Vaya Health (“Vaya”). The Dissolution Agreement contemplates that the consolidation will be completed no later than April 1, 2022; however, the day-to-day operations of Cardinal will be assumed by Vaya prior to that date as described in the Dissolution Agreement. Adding significant complexity to the consolidation, several counties have either been approved to disengage from Cardinal Innovations, indicated an intent to remain with Cardinal Innovations and ultimately align with Vaya Health, or indicated an intent to realign with a different LME/MCO.

As the consolidation proceeds it is critically important that the individuals served by all LME/MCOs continue to receive services with as little disruption as possible. It is also vital both for the individuals served, for the providers serving those individuals, and for the operations of the LME/MCOs that a clear timeline be in place to ensure that Cardinal and Vaya are best positioned to hand off outgoing counties to the receiving LME/MCOs, which also must be best positioned to serve the individuals residing in realigning counties.

The purpose of this communication is to share the Department’s overall timeline for ensuring a transition that is most suitable for the individuals served and the continued stability of the LME/MCOs.

The Department has reviewed the requests of Forsyth, Davie, Davidson, Rockingham, Orange, and Mecklenburg counties, and approves those counties’ requests to leave Cardinal LME/MCO and align with other LME/MCOs, as set out below.

To effectuate a transition that meets the goals of ensuring minimal disruption for the individuals served by the dissolving LME/MCO (Cardinal), the LME/MCOs taking on new counties, and their provider networks, as well as to promote the stability of the LME/MCO system, the Department approves the following overall timeline for transition.

Cabarrus, Stanly, and Union Counties have already been approved for transition to Partners effective September 1, 2021. Between October 1, 2021 and December 15, 2021, Forsyth and Davie Counties will transition to Partners; Rockingham and Davidson Counties will transition to Sandhills; and Mecklenburg and Orange Counties will transition to Alliance. Specific effective dates for each of these three realignments will be announced by the Department and communicated to the relevant stakeholders within the next week. All movement of Cardinal counties not transitioning to Vaya will be complete by December 15, 2021. Alamance, Caswell, Franklin, Granville, Person, Rowan, and Vance Counties will remain with Cardinal and transition to Vaya.

NC MEDICAID

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

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LME/MCO Area Boards must approve the addition of the counties set out above before the effective date of the transition if they have not already done so.

All parties must cooperate fully in this dissolution process, including the sharing of client information necessary to ensure continuity of care, without disruption for the providers and consumers in the affected counties.

Warren County announced its request to leave Cardinal on August 3, 2021. Halifax, Chatham and Stokes Counties have not announced their plans. The Department will evaluate these counties and make a determination in the coming weeks.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Richard". The signature is fluid and cursive, with the first name "Dave" and last name "Richard" clearly distinguishable.

Dave Richard
Deputy Secretary, NC Medicaid