



Dear Michelle,

Thank you for your questions. Most of the details that we can provide at this time are included in our response document. Others will need to be worked out through the transition process, assuming the Board of County Commissioners decides to work with Cardinal. Some additional items will depend on the contract terms between DHHS and Cardinal to manage services in Mecklenburg County. MeckLINK's contract with DHHS is not assignable and, therefore, Cardinal will have to negotiate a new contract with DHHS to add Mecklenburg County to our service area. Also, financial or operating information relating to other geographic areas served by Cardinal would not be comparable to data for Mecklenburg County. Our experience has taught us that each area has different demographics and service needs and our model allows us to tailor certain processes to meet county/area specific needs. Therefore, data for those areas would not be applicable to the transition of service management for Mecklenburg County.

Below please find the answers to your questions.

Section C. #3: Please provide a description of what the chart at the bottom of page 5 is telling us.

The chart details service penetration rates by age category. The penetration rates reflect the percentage of Medicaid eligibles who received services for those time periods by age category. It is a rolling 12 month annual penetration rate, meaning our annual penetration for the 12 months ending in July 2013 is 13.83%.

Section D. #3: Please provide a template of the Community Oversight Board bylaws.

The bylaws for each of the Community Oversight Boards are subject to approval by the Governing Board, and address such topics as quorum, frequency of meetings, election of officers and other requirements. We will be happy to provide a template for these by-laws upon confirmation of the selection of Cardinal to transition services in Mecklenburg County.

Section E. #2: Of the 118 denials, how many went through the appeals process? Was this number 23, as indicated in the response to question #3?

Twenty-three denials were appealed to the Office of Administrative Hearings. Others were addressed through the local reconsideration process.

Section F #1: Please provide a complete listing of all 900 providers currently in your provider network. This should include the number of consumers served by the provider and Medicaid payment amounts by provider for both the prior year FY 2013 and current YTD.

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The top twenty five providers were provided in an attachment to the RFI. As stated above, financial and operating information are unique to the applicable service area. We provided the top twenty five providers in the original submission to provide information regarding larger providers. Many of these may also serve Mecklenburg consumers.

Section F #3: Will URAC accreditation be sufficient to not require re-credentialing for providers and practitioners?

We are in the process of researching this in collaboration with the NC Council of Community Programs. We do not have an answer from NCQA at this time, and will continue to work on this issue. As stated in the RFI, we intend to accept all providers in good standing with MeckLINK. We also expect to receive provider accreditation data from MeckLINK to facilitate the credentialing process.

Section G #4: Please provide a total compensation salary schedule broken down by base pay, and merit/bonus for each level of employee.

An exact staffing plan is yet to be determined. However, key positions in the Mecklenburg Community Operation Center will include Consumer Affairs Specialists, Community Relations Specialists and Provider Relations (Network Specialists). These positions have a base salary range of \$47,800 to \$52,800. We will also need to hire I/DD Care Coordinators, with a base salary range of \$45,000 to \$49,800, and MHSA Care Coordination Clinicians, with a base salary range of \$51,000 to \$56,400. Our bonus payouts are based on our company's ability to achieve the goals established by our leadership team and the approval of our Governing Board. Over the last 3 years, bonus payouts have resulted in an average of 3.3% of base pay for Cardinal staff.

Section H #2 and #3: Please provide the breakdown of the PMPM by category of aid and category of service.

As noted in the RFI, the capitation rates for the Cardinal Innovations counties are \$105 and \$150. These rates will have no bearing on the capitation rates for Mecklenburg County. We expect that the rate setting for Mecklenburg will be a separate process and the capitation rates for Mecklenburg will be based on Mecklenburg historical data, including utilization statistics, member months and historical and projected costs. This is how rate setting has been handled by the Department for previous areas that have been added to the waivers. Rates for the other Cardinal Innovations counties should have no bearing on the capitation rates for Mecklenburg County.

Section K #4 (Referring to Section G #1): How, specifically, would each of the noted divisions be staffed? Please include the number of staff and titles of staff your agency plans to maintain in Mecklenburg County.

We have not yet determined the numbers of staffing beyond what we have stated in the RFI. If we are selected, we will need data from Mecklenburg County which includes, but is not limited to, the following:

- MeckLINK's current staffing plan
- Current capitation rates
- Numbers of Medicaid eligibles served
- Penetration by age and disability group
- Number of active Innovations slots
- Numbers of non-Medicaid recipients in service
- Consumers receiving Care Coordination for population analysis and caseload assignment
- Consumers placed out-of-state
- Historical call volume
- Utilization history
- State allocation amounts and how these are used for services
- Participation in local community initiatives (e.g., System of Care, Housing Continuum of Care, JCPC, etc.)
- Claims/encounter data

We need to understand how MeckLINK has administered services in Mecklenburg County, special projects and obligations, and other factors specific to the county. We expect to develop the staffing plan during the Transition Planning Process. We try to tailor our services to the counties we serve as much as possible.

Thank you again for your consideration of Cardinal Innovations.

Sincerely,

A handwritten signature in black ink that reads "M. Rachel Porter". The signature is written in a cursive, flowing style.

M. Rachel Porter
Director of Communications