



Gaston County

Gaston County
Board of Commissioners
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DHHS - Public Health Division Board Action

File #: 21-412

Commissioner Brown - DHHS (Health Division) - To Accept and Appropriate the Non-Federal Share of Medicaid Fees Received from the NC Medicaid Managed Care Plans for Separate Directed Payments **(\$1,386,028)**

STAFF CONTACT

Cathy Cheek - Business Services Administrator - DHHS (Public Health Division) - 704-853-5266

BUDGET IMPACT

Appropriate 100% Medicaid Fee Revenue.

BUDGET ORDINANCE IMPACT

Increase Medicaid Fee revenue by \$1,386,028 and appropriate \$1,386,028 into the program project account.

BACKGROUND

Per the NC State Medicaid Plan, local health departments are required to file annual Medicaid cost reports. Based on these cost reports, NC Medicaid issues the Health Departments' providers an annual cost settlement for the Medicaid federal portion for providers' covered services. Under the new NC Medicaid Managed Plan, cost settlements for providers' services are not allowed. Therefore, the Managed Prepaid Health Plans will make quarterly Separate Directed Payments to the Health Departments and include the federal and state (non-federal) share of Medicaid funds. The quarterly state share of the payments must be sent by the Health Department to the NC Division of Health Benefits prior to receiving the Separate Directed Payments from the Prepaid Health Plans. The NC Division of Health Benefits (DHB) will invoice the Health Department for the state share and once this payment is received by DHB, DHB will direct the Prepaid Health Plans to pay the Health Department the Separate Directed Payment. The Health Department will be reimbursed by the Prepaid Health Plans for both the state and federal share. These are non-County funds.

POLICY IMPACT

N/A

ATTACHMENTS

Budget Change Request (BCR)

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	CBrown	AFraley	BHovis	KJohnson	TKelgher	TPhillips	RWorley	Vote
2021-307	11/09/2021	TP	KJ	A	AB	A	A	A	A	A	U

DISTRIBUTION:

Laserfiche Users

A=AYE, N=NAY, AB=ABSENT, ABS=ABSTAIN, U=UNANIMOUS

GASTON COUNTY BUDGET CHANGE REQUEST

TO: Dr. Kim S. Eagle COUNTY MANAGER

FROM: 5111 DHHS - Public Health
 Dept. # Department Name

Steve Eaton 11/09/21
 Department Director's Name Date

TYPE OF REQUEST:

☐ Line Item Transfer Within Department & Fund

☐ Line Item Transfer Between Funds *

☐ Project Transfer Within Department & Fund

☒ Additional Appropriation of Funds *

☐ Line Item Transfer Between Departments*

* Requires resolution by the Board of Commissioners

ACCOUNT DESCRIPTION (As it appears in the budget)	ACCOUNT NUMBER Fund - Function - Dept - Division - Object - Project xxx - xx - xxxx - xxxx - xxxxx - xxxxxx	AMOUNT Whole Dollars Only (See Note Below)
MCS Separate Directed Payments	011-05-5111-0000-410019-22219	(\$1,386,028)
MCS Separate Directed Payments	011-05-5111-0000-560000-22219	\$1,386,028

JUSTIFICATION FOR REQUEST:

Per the NC State Medicaid Plan, local health departments are required to file annual Medicaid cost reports. Based on these cost reports, NC Medicaid issues the Health Departments' providers an annual cost settlement for the Medicaid federal portion for providers' covered services. Under the new NC Medicaid Managed Plan, cost settlements for providers' services are not allowed. Therefore, the Managed Prepaid Health Plans will make quarterly Separate Directed Payments to the Health Departments and includes the federal and state (non-federal) share of Medicaid funds. The quarterly state share of the payments must be sent by the Health Department to the NC Division of Health Benefits (DHB) prior to receiving the Separate Directed Payments from the Prepaid Health Plans. Once the Health Department payment is received by the DHB, the Separate Directed Payment will be sent to the Health Department.

Note: Decreases in expenditures & increases in revenue accounts require brackets. Increases in expenditures & decreases in revenue do not require brackets. Please note that transfers between funds require interfund transfer accounts.