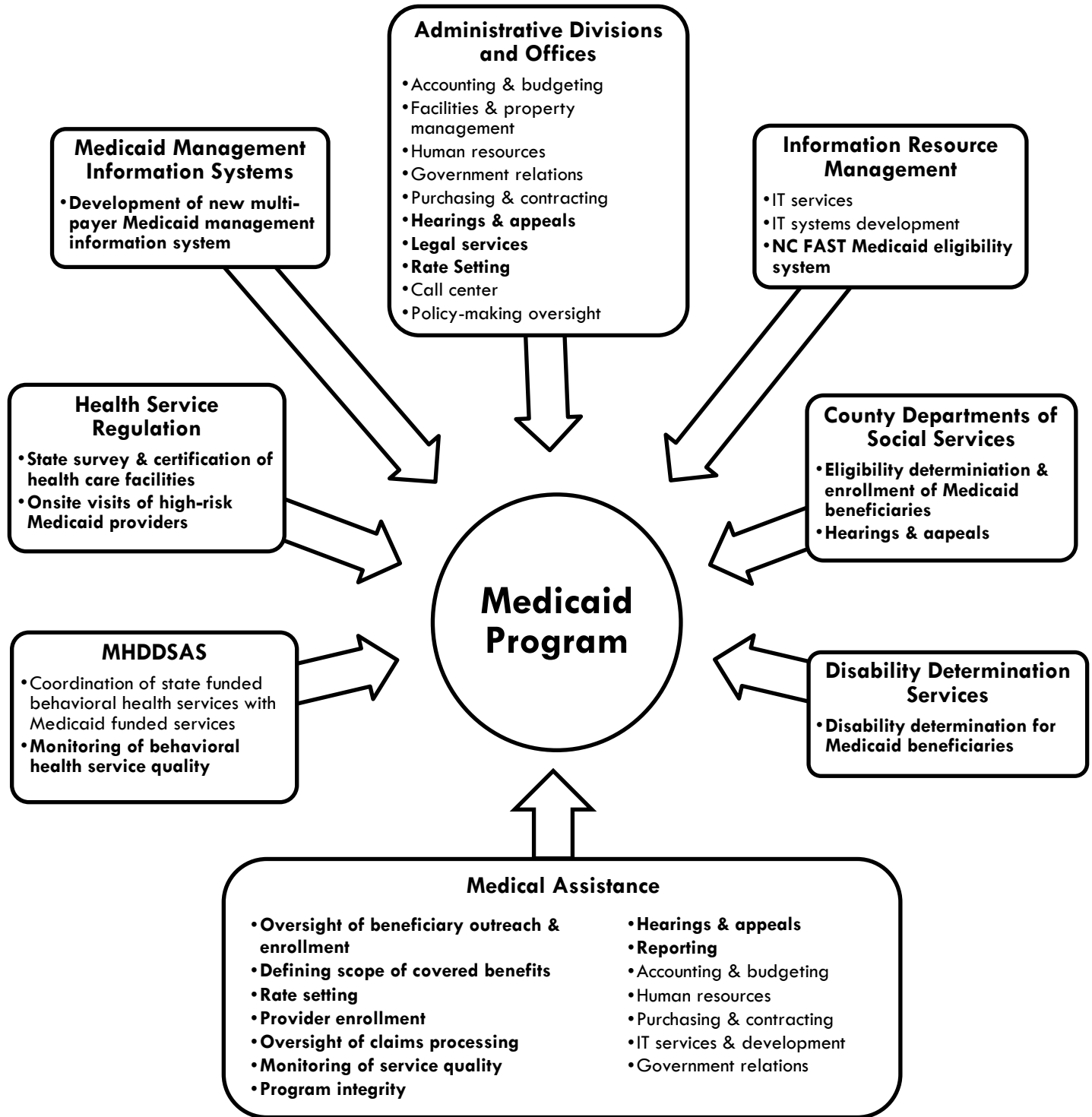


Exhibit 5: Department of Health and Human Services Provides General Administrative Services to the Medicaid Program and Assists with Medicaid Program Functions



Bolded Activities = Medicaid administrative function **Unbolded Activities** = General DHHS administrative function

Notes: Disability Determination Services is a part of the Division of Vocational Rehabilitation Services. MHDDSAS is the acronym for the Division of Mental Health, Developmental Disabilities and Substance Abuse Services. This exhibit excludes divisions and offices that administer programs that serve Medicaid beneficiaries.

Source: Program Evaluation Division based on document review and interviews with the Division of Medical Assistance.

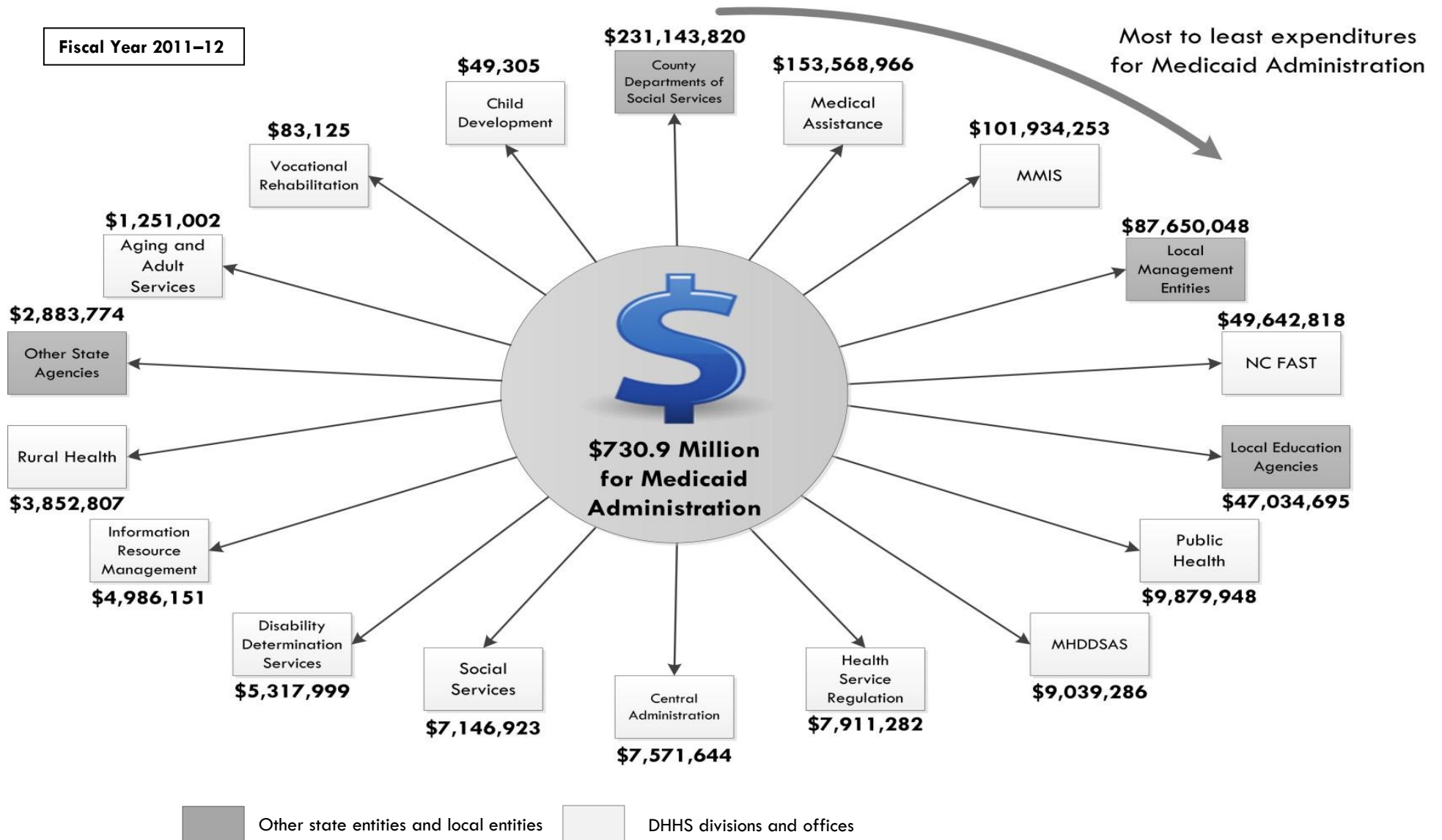
Exhibit 10: Department of Health and Human Services Maximizes Federal Reimbursement for Medicaid Administration

DHHS Division/Office	Provides Medicaid Administration	Provides Administrative Support	Provides Medicaid IT Development	Administers Programs Serving Medicaid Beneficiaries
Medical Assistance	✓			
Medicaid Management Information System			✓	
Public Health				✓
Mental Health, Developmental Disabilities and Substance Abuse Services	✓			✓
Health Service Regulation	✓			
Central Administration	✓	✓		
Social Services				✓
Disability Determination Services	✓			
Information Resource Management (includes NC FAST)		✓	✓	
Rural Health				✓
Aging and Adult Services				✓
Vocational Rehabilitation				✓
Child Development				✓
State and Local Entities				
County Departments of Social Services	✓	✓		✓
Local Management Entities				✓
Local Education Agencies				✓
Office of Administrative Hearings	✓			
Department of Justice	✓			
Department of Public Instruction				✓

Notes: Disability Determination Services is a part of the Division of Vocational Rehabilitation Services. NC FAST is the acronym for the North Carolina Families Accessing Services through Technology system, and the Division of Information Resource Management is responsible for developing this system.

Source: Program Evaluation Division based on information from the Department of Health and Human Services.

Exhibit 12: Expenditures for Medicaid Administration Is Spread throughout the Department of Health and Human Services and Includes Other State and Local Government Entities



Notes: Disability Determination Services is a part of the Division of Vocational Rehabilitation Services. MHDDSAS is the acronym for the Division of Mental Health, Developmental Disabilities and Substance Abuse Services. MMIS is the acronym for the Office of Medicaid Management Information Systems. NC FAST is the acronym for the North Carolina Families Accessing Services through Technology system. Other state agencies include the Department of Justice (\$346,383), Office of Administrative Hearings (\$2.5 million), and Department of Public Instruction (\$63,156).

Source: Program Evaluation Division based on financial information from the Department of Health and Human Services.

Exhibit 20

Comparison of the Options for Changing the Organizational Structure of the North Carolina Medicaid Program

Option Attributes	Department of Medicaid	Medicaid Program Authority	Department of Health Services
Operates as separate department	✓	✓	
Operates within a health services department			✓
Reports to the Governor	✓		✓
Reports to Medicaid Program Authority		✓	
Rule-making performed by department	✓		✓
Rule-making performed by Medicaid Authority Board		✓	

Source: Program Evaluation Division based on interviews with Medicaid directors in other states and review of documents from other states.

Exhibit 21

Implications of Changing the Organizational Structure of the North Carolina Medicaid Program

Implications for the North Carolina Medicaid Program	Department of Medicaid	Medicaid Program Authority	Department of Health Services
Focus on the Medicaid Program	✓	✓	
Focus on health services programs			✓
Increased accountability for the Medicaid Program	✓	✓	
Increased independence for the Medicaid Program	✓	✓	
Increased policy-making transparency for the Medicaid Program	✓	✓	
Achieves economies of scale for general administration			✓
Co-located with health care programs receiving medical assistance payments			✓
Leverages health care program purchasing power			✓

Source: Program Evaluation Division based on interviews with Medicaid directors in other states and review of documents from other states.