This year, we strengthened our commitment to exceptional care for our members and support to our communities – in good times and bad.
1

CEO MESSAGE
If you – or someone you love and care for – lives with a mental health issue, substance use disorder or intellectual/developmental disability, you know this:

There are hard days.
There are bad days.
There are days when you tell yourself if you can just make it to bedtime, you will find the strength to get up and do it all again tomorrow.

And then there are good days. Days when a milestone that seemed impossible, or that someone told you would never reach happens. Maybe it’s a half-smile or a small gesture from your child with severe autism or a brain injury. Maybe it’s going to your first day at a new job when you never thought you’d be able to work. Maybe it’s celebrating another year in recovery or finally moving into your own home.

Those good days, even when they are long between and hard fought, make all of the hard days worth it.

The good days give you strength, hope, resolve and resilience. At Cardinal, we have the incredible fortune to have a front row seat to those good days. And we have the privilege of supporting you during the bad days.

The success or failure of the public behavioral health system in our communities is really just the sum of all of the good days and bad days for the individuals that live there. Our job is to partner within our communities to help our members have fewer bad days...

This year, when we think of a new state of mind, it is about focusing and investing in the right solutions. It’s about listening. It’s about getting creative and doing the next right thing so that the individuals in our communities — our health plan members — have a chance at a good day.

On behalf of the 900 people on our Cardinal team who live our mission of improving the health and wellness of our members and their families, you have our promise and commitment to this: more good days.

Trey
CHIEF EXECUTIVE OFFICER

WE HAVE THE PRIVILEGE OF SUPPORTING YOU DURING THE BAD DAYS.
2

MEMBERS
Finding New Opportunities to Personalize Care in Our Communities
Improving Outcomes for Our Members

Cardinal Innovations’ launched a wide variety of initiatives this year to ensure the best possible outcomes for members. Based on our philosophy of right care, right time, right place, these programs are focused on ensuring that our members receive the appropriate level of care in community-based settings whenever possible.

Improving Peer Support Services

Peer support is a community-based service for adults with mental health or substance use disorders. It provides encouragement and support from someone who is also in recovery. It is a valuable service for our adult members. Our focus this year was to ensure that peer support was being used most appropriately.

Highlights:

- Adjusting our clinical guidelines for authorization
- Evaluating members who were not making satisfactory progress for more intensive services
- Aligning the use of peer support to clinical needs such as psychiatric services and therapy
- Adding new providers to ensure continued access to peer support for new members

Read More
Reducing Emergency Department Use

People with behavioral health needs are often best served outside of an emergency room. Our initiative focused on frequent hospitalizations, then identifying and addressing root causes to create more sustainable health.

We did proactive intervention with members to provide additional support.

We intervened with enhanced service providers responsible for crisis response.

We added proactive linkage to enhanced services.

We identified a trend among a group of about 200 individuals, who were visiting the Emergency Department frequently, and connected with them to ensure their needs were being met more effectively. This reduced visits for 75% of these individuals.
In keeping with Cardinal Innovations’ community-based approach to care, our team looked for ways to transition members from state development centers to community services whenever possible. The team started by proactively reviewing members prior to admission, preventing unnecessary admissions.

Our efforts resulted in fewer members receiving services in a state developmental center, one of the most restrictive levels of care.

We also strengthened the community-based system of supports for these members and improved success.
Caring for Children

We are committed to finding ways to keep young people in their communities and return them to their families and other natural supports whenever possible.

To tackle this issue we identified a trend of young members being admitted for psychiatric residential treatment facilities (PRTFs) multiple times in a year. Many people are known to have better outcomes when treated in community settings versus congregate settings such as PRTFs.

Highlights:
• We strengthened discharge planning to increase the likelihood of success post-discharge
• We strengthened clinical review to ensure that more appropriate options are considered prior to approval of PRTF services

Transitioning Into the Community

In keeping with Cardinal Innovations’ community-based approach to care, our team looked for ways to transition members from state development centers to community services whenever possible. The team started by proactively reviewing members prior to admission, preventing unnecessary admissions.

Highlights:
• Our efforts resulted in fewer members receiving services in a state developmental center, one of the most restrictive levels of care
• We also strengthened the community-based system of supports for these members and improved success
“Sometimes, when someone is referred to Transitions to Community Living (TCL), which helps adults move from a state hospital or adult care home into independent housing, they may need a little practice before living on their own,” said TCL Director Mike Bridges.

In 2018, our TCL team started a pilot program called the Bridge to help people transition to independent living in their communities.

“We assess their capacity to live independently – their ability to cook for themselves, how they manage their personal hygiene or take medication without being prompted,” said Roxanna Johnson, the TCL Housing Manager who oversees the Bridge program.

Caremoor, a Cardinal Innovations provider, staffs Bridge locations in Chapel Hill and Charlotte. The goal is to open a third location in Winston-Salem in 2021. People in a Bridge house stay for about 45 to 90 days and then they move into their own place.
Often, those who are eligible for TCL have been living in adult care facilities, a state hospital or may have even been homeless for some time. So the move to their own apartment, where they can choose how to structure their days, may require learning or relearning some basic life skills.

“When you have a home, that’s an adjustment for folks,” Johnson said. “When people come to Bridge housing, it gives them an opportunity to plan meals individually and for the group that’s living together because it’s congregate living. It gives them an opportunity to demonstrate their skills.”

Bridging the Gap from Adult Care Facilities to Independent Living
Currently, our Chapel Hill program has the capacity to serve seven members while the Bridge home in Charlotte can take six.

“We have a lot of people who acknowledge that moving into a place of their own by themselves is frightening, especially for those who have been in an adult care home. Bridge housing helps people feel more confident that they can do well in their community on their own,” Johnson said.

“AN OPPORTUNITY FOR THEM TO DEMONSTRATE THEIR SKILLS”
Latino Community Outreach

According to the National Alliance on Mental Health (NAMI), only 33% of Latinos with a mental illness receive treatment each year compared to the U.S. average of 43%. And among Latinos who experience symptoms of a mental health disorder:

- Only 20% talk to a doctor about their symptoms
- Only 10% contact a mental health professional
- And 19% had no form of health insurance, according to a 2018 report

Awareness of the unique needs of the Hispanic community is essential for effective treatment. It can also make a big difference in outcomes for those receiving treatment for mental health conditions or a substance use disorder.

We continue working with partners to close the gap in care and increase resources and support for the Latino community in North Carolina.

Our teams actively work to address the challenges faced by approximately one million Hispanics living in our region. For this, we have developed a variety of outreach initiatives and continue to grow our ability to serve this population.
On Air at Latina 102.3 FM

During the first quarter of 2020, we regularly shared wellness and prevention tools and resources with the Spanish-speaking community on one of the most important Latino radio stations in the state — Latina 102.3 FM. Our Member and Community Engagement teams also shared wellness and prevention tools and resources with the Spanish-speaking community. We continue working to build trust and connections with our Latino population.

Here’s some of what we shared:

- What we do, our available resources in Spanish, and how to reach us
- How to dismantle the stigma around mental health, substance use disorders, and intellectual and developmental disabilities
- Practical tools and tips on self-care and mental wellness
- Stress management while navigating the COVID-19 crisis and everyday life’s demands

Some of these organizations include:

- Alianza – Center for Prevention Services
- Hispanic League
- Enlace
- Coalición Latina de Fe y Salud
- Esperanza de Vida
- Camino Community Center
- School of Social Work, UNC Charlotte

FIGHTING STIGMA

ACCESS TO CARE

Key Organizations

Our teams have a strategic presence with key organizations and leaders in the Hispanic community. The goal is to meet our communities, providers, and families where they are.
Some of these training sessions include:

- Wellness Recovery Action Plan (WRAP) for Latino inmates
- Suicide Prevention Training: Question, Persuade, Refer (QPR) for Latino faith-based leaders and members
- Introduction to Cardinal Innovations Healthcare
- Trauma
- Psychosis Simulation

We have brought multiple training and awareness sessions to organizations, community groups, and individuals interested in learning more about available resources in Spanish. We have also significantly expanded our website content in Spanish this year. This includes increased blog content in Spanish.

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**SPONSORING LATINO EVENTS**

**Empowering & Supporting**

To empower, support, and bring life to our mission within the Latino community, we sponsored several signature Hispanic events:

Some of these organizations include:

- Vida y Salud Expo (postponed due to COVID-19)
- HOLA Charlotte Festival (virtual)
- Latina 102.3 FM programming
Accessing Mental Health Help Fast

In April of this year, we launched **ASK, pronounced “star-star ask”, which can be dialed from any cell phone during mental health emergencies and provides immediate resources for individuals in crisis.

**ASK is designed to be the mental health equivalent to the convenience of dialing 9-1-1 for urgent physical care needs when crises arise. The 24/7/365 resource is staffed by licensed clinicians who can help assess the immediate need of the caller and then connect them to a network of providers designed to provide the care they need.
In the first 12 weeks, **ASK received more than 2,100 calls and/or clicks for more information on how to get connected to help.

Individuals in a mental health crisis often resort to emergency settings that may not be best equipped to help them, and **ASK allows us to ensure that vulnerable individuals get the right care at the right time in the right setting.

During that same time, we saw a decrease in Emergency Department Utilization.

It is important to remember that health and safety are always most important. If you or a loved one are in immediate danger, always dial 911.
Improving the Member Experience

Cardinal Innovations is proud to be one of six health plans across the country chosen to participate in an early adopter program for member journey mapping.

Journey mapping builds a person-centered framework for understanding the consumer experience and lays the critical foundation for making consumer partnership an enduring part of organizational culture*.

Funded by a grant from the Robert Wood Johnson Foundation, the Center to Advance Consumer Partnership (CACP) is working directly with both our internal teams and a dedicated group of members and guardians to integrate the consumer voice into our organizational decision-making.

Through the CACP model, our members are actively and genuinely engaged as experts in their own lives. Over time, their ongoing feedback and insights will translate into improvements in our overall care design, engagement, and service delivery for members with intellectual and developmental disabilities.

Over the next two years, we will learn more than ever before about what our IDD members experience when they interact with us, what moments matter most to them, and how we can adapt to more meaningfully meet them where they are.

*Center to Advance Consumer Partnership
3
COMMUNITY
Cardinal Innovations’ Response to COVID-19 was Swift and Impactful

Everyone was affected by the COVID-19 crisis, but it was especially tough for many of our members. Our efforts in response made a difference in the lives of those hit hardest by the pandemic.

In early April, we established 24/7 mental health crisis line **ASK to take pressure off our crowded emergency rooms.

Our other special projects and services—like expanding telehealth availability and increasing rates in support of our providers—as well as COVID-19 Relief Fund grants to community non-profits totaled more than $50 million. Across our service area, we addressed neighbors’ needs related to mental health, food insecurity, homelessness, and aging.
Community Stories

COVID-19 RELIEF FUND

BEHAVIORAL HEALTHCARE LEADERSHIP ACADEMY

RHA EXPANSION

FOUR COUNTY COMMUNITY CONNECTIONS FAIR

ABILITIES TENNIS
COVID-19 Relief Fund

In keeping with our philosophy of investing in the communities we serve, we created the $2 million COVID-19 Relief Fund in support of local relief efforts.

Grants were awarded to non-profits and other organizations (up to $20,000 each) that were working to improve the health, wellness, and stability of vulnerable populations—especially for those with mental health conditions (MH), intellectual and developmental disabilities (IDD), or substance use disorders (SUD).

Projects throughout our service area were funded to address food insecurity, access to care, and dozens of other pandemic-related needs.

Food Security for Our Seniors

With the pandemic’s strain on high-risk individuals, many seniors weren’t sure where their next meal would come from.

To combat this, the Kerr-Tar Area Agency on Aging used grant funds to purchase the Warren County Senior Center a commercial freezer and refrigerator. This equipment helped the Center store meals for older adults lacking food security.

One recipient of the center’s meal delivery program, a 70-year old veteran who lost both legs, was able to receive a small refrigerator and microwave as a part of the grant funds.

From stories the man shared with me and the Director, he has not often been the recipient of this sort of kindness in his life

— One Agency on Aging staff member.

Hygiene Essentials Drive-Thru

Many families in our communities who could not afford multiple face masks had to share between family members.

With our COVID-19 Relief Fund grant, Community 1 Solutions was able to distribute more than 100 boxes of essential items (face masks, hand sanitizer, toilet paper, and paper towels) through a community drive-thru at the CCCC Siler City Campus.

“One senior couple told us they can finally get out of the house now that they had enough masks. Previously, they had been sharing one mask to go to the doctor or pharmacy, while the other stayed at home.”

Veterans Supporting Veterans

With help from our COVID-19 Relief Fund, HARRY Veterans Community Outreach Services could continue services to hand out more than 120 comfort and sanitation bags to veterans who are homeless, low-income, transitional, and have a disability. Stakeholder veterans who helped distribute bags expressed the pride they felt serving their community and their fellow vets.
Everyone Deserves Help

Undocumented immigrants in Cabarrus County faced extra challenges alongside the global pandemic. While unemployment and food insecurity grew throughout their community, they were not eligible for COVID-19 related government assistance because of their legal status. With the COVID-19 relief grant, nonprofit organization El Puente Hispano was able to hand out 140 grocery vouchers worth $50 and continue its mental health workshops.

For one mother of two, this program was a lifesaver. Her husband had left her alone as she was earning less than minimum wage at her restaurant job. Due to the strains of COVID-19, her situation became very dire. “I used to stand by Food Lion and wait for the staff to get rid of their expired and spoiled food to grab something for my children and me to eat. With the vouchers, we were able to eat meat and fresh vegetables for the first time in months.”

Special Projects and Accommodations for Providers and Members

To best meet the needs of our members and support the providers who care for them we expanded our thinking beyond traditional care and services, and launched multiple initiatives and programs to address the unique needs caused by COVID-19.

Through $33 million in COVID-19 related aid, we:

- Recognized the risks of face-to-face interactions during the pandemic and expanded services available via telehealth
- Provided ongoing support for sheltering activities, member hoteling, etc. in response to the need for temporary housing for its members
- Transitioned members receiving Group Day Supports to Individual Day Supports, ensuring continuity of care while also adjusting to social distancing needs
- Made financial stability payments to Outpatient, Psych Rehab, and Community Services providers to help them convert their services to telehealth, ensuring continued access to behavioral healthcare for members
- Implemented a 15% rate increase for Residential and Community Intermediate Care Facility providers—representing an additional $11.6 million to providers—to cover increased staffing and personal protective equipment costs as a result of the pandemic
- Modified authorization and care guidelines to allow for increased Community Living and Supports while children were not in school
These examples represent only a fraction of the work we did in response to the pandemic. Countless other efforts went beyond financial support: We distributed 500 cell phones to high risk members, including 144 cell phones to Assertive Community Treatment Team providers to maintain continuity of care for high risk individuals. We also completed weekly check-in calls to our Transition to Community Living members and developed an outreach program for African-American members over the age of 65 who were considered high-risk for COVID-19 complications.
Behavioral Healthcare Leadership Academy

In 2015, we worked with the University of North Carolina Charlotte (UNCC) to develop a partnership to launch Provider 360, a website and adjunct programming to help educate providers on the business side of practice management.

The underlying idea of this partnership is that our providers go to school to learn how to take care of our members, and yet don’t receive any course work in how to work with Medicaid and insurers, manage finances, or run a sustainable practice. Building these skills helps create stronger providers with more stability, which can help prevent disruptions in care for our members.

Last year, we shifted focus to create a new learning program called the Behavioral Healthcare Leadership Academy.

This Academy is a leadership development program for graduate level scholars from UNCC interested in pursuing leadership-based careers in the behavioral healthcare field upon graduation.

The goals of the academy include:

- Positioning scholars for future leadership positions in behavioral healthcare
- Increasing knowledge regarding behavioral health managed care and the business of healthcare
- Cultivating relationships between managed care staff, scholars, and providers

Subject matter experts from across our organization provided training for students on Clinical Coverage Policies, Lean Six Sigma Process Improvement Plans, Medicaid Transformation, Medicaid Financing, Procurement Strategies, and Regulatory Affairs. BHLA scholars also received training on the basic management skills used to provide integrative services in behavioral healthcare during the Medicaid Transformation.

Following the program evaluation, students increased their knowledge across a wide spectrum of topics and felt more prepared for their future career in behavioral healthcare.

The program continues to grow and expand across additional study disciplines and the flexibilities created through virtual learning have enabled a larger class of scholars for the upcoming academic year.
RHA Expansion

Our Alamance County stakeholders requested the expansion of crisis and walk-in services due to over-utilization of the Emergency Department for individuals with behavioral health needs.

We worked with RHA Behavioral Health Services to expand crisis service hours to create more options for members to access care and increase the ability of community partners to quickly and easily link individuals to services.

The RHA Crisis Center provides wrap around intervention to stabilize those in crisis and connect to the recommended level of care. These services are provided to all citizens regardless of ability to pay and/or insurance type. As many of these calls start with 911 – law enforcement become first responders to mental health crisis and this center provides an alternate location for law enforcement to use outside of the Emergency Department. RHA currently averages 30 law enforcement drop offs per month. Since the expansion, citizens of Alamance, Caswell, Chatham, and Orange have been able to use the crisis center, and Crisis Services available to Alamance County citizens has increased by 30%.

Four County Community Connections Fair

In our Northern Counties, Cardinal Innovations partnered with juvenile justice teams in Warren, Vance, Franklin and Granville counties, along with Daymark, Youth Villages, NC Families United and the University of North Carolina Greensboro (UNCG) to provide information on how to access local behavioral health and intellectual and/or developmental disabilities resources in each county.

Together, the organizations provided 600 stuffed book bags of school supplies and information, along with 400 boxed Subway meals to serve families in need.
Abilities Tennis

We partnered with Mount Jubilee, Rockingham County Tennis Association and NC Abilities Tennis to offer two adaptive tennis clinics for youth and adults with intellectual disabilities. Fifty members participated in an indoor clinic at Cardinal’s Rockingham Wellness Center.

The Rockingham County Health Department selected three priority health issues during their Community Health Assessment which include:

- Physical Activity and Nutrition – Emphasis on Diabetes
- Social Determinants of Health – Emphasis on Education
- Access to Healthcare at Rockingham Wellness Center

Once the county identifies their priorities, our wellness team works with community organizations to create opportunities and improvements for members. The goal is to create community connections, improve physical and behavioral health and introduce new skills and passions to our members with behavioral health concerns and/or intellectual and developmental disabilities.

Abilities Tennis (formerly Adaptive Tennis Association of North Carolina) serves over 500 adaptive tennis athletes each year in 21 communities with clinics and practice sessions and seven adaptive tennis tournament events. The mission of Abilities Tennis is to offer tennis opportunities at all levels for individuals with intellectual disabilities across the state of North Carolina.
4

NETWORK PROVIDERS
Provider Network Development

We serve our members by ensuring they receive the best possible care through a continuously expanding network of providers. It is because of the strength of our providers and the dedication of our teams that each individual has a voice and a choice in the care they receive.
Cardinal Innovations continued working to break down barriers to care in Fiscal Year 2020. One way we did this was to address overall access to care for our members.

We expanded our network to more than 850 providers, adding 55 new providers during the year. We also continued to add new services or expand capacity through new and existing providers.

We looked for ways to make it easier to find services closer to home in all 20 of our counties. This resulted in better access to care for those with intellectual or developmental disabilities (IDD), mental health (MH) and substance use disorders (SUD).
Improved Access

Child and Adolescent Day Treatment Access

This service is designed for children with mental health or substance use disorders whose needs cannot be met in school. The program builds on existing strengths, identifies needs and possibilities, and is dedicated to the safety and health of children and their families.

As of June 30, 2020, we increased access for members eligible for this service to at least two locations within 30-45 miles of their home, an improvement of 5% — up from 84%.

That’s improved access for 13,449 members.

Read More

Substance Abuse Comprehensive Outpatient Treatment (SACOT)

This service is for adults with substance use disorders and is offered at an outpatient, licensed facility for four hours per day, at least five days per week. It is offered during the day and evening hours so that you can still live at home, work or go to school. The program offers individual, group, and family counseling, drug screening, designing plans to prevent relapses and other treatment supports.

As of June 30, 2020, we increased access for members eligible for this service to at least two locations within 30-45 miles of their home, an improvement of more than 9%.

That’s improved access for 713 members.

Read More

Opian Related Services

If you are one of our members, there are services to assist you with opioid use disorder.

As of June 30, 2020, we increased access for members eligible for this service to at least two locations within 30-45 miles of their home, an improvement of more than 6%.

That’s improved access for 713 members.

Read More

One important project helped improve access to behavioral health and intellectual or developmental disabilities services. We also made strides toward ensuring that 95% of our members have access to at least two community-based mental health and/or IDD services within 30 to 45 miles/minutes of their home.
New Child Welfare Program

As soon as a child enters foster care, they will receive faster service and access to care under our new Child Welfare Program.

We want to ensure that children in the custody of the child welfare system get the services they need to achieve safety, stability, and a permanent home. In order to achieve this, we have changed how we work with our DSS partners across our region.

Through this new program, our goal is that children entering foster care receive timely screenings, assessments, and connection to a consistent Care Coordinator. To make this happen, we are expanding our network, and added 199 contracted providers this year. This helps us ensure a wide selection of community-based care to meet every child’s needs.

Under this new program, we will work more closely with the Departments of Social Services (DSS) to improve how quickly children in need are identified. This will allow us to provide trauma-informed screenings and assessments to get them the right care more quickly.

The improved processes will ensure that we know immediately when a child in need of extra attention enters the custody of the child welfare system.

This Child Welfare Program adheres to the System of Care Model values and principles. The goals of the new program are:

- Meaningful collaboration with community members and stakeholders
- Prompt screening and assessment
- Consistent care coordination
- An expanded network
- Trauma-Informed Care and specialized interventions
- Timely access to care and elimination of administrative delays
- Strong community partnerships

In addition to adding to our network, we’ve made many other strides toward the new Child Welfare Program. We have:

- Engaged six DSS partners to work with us on testing and rolling out this new program of care
- Established monthly communication/meetings with local DSS leadership
- Activated a team to execute immediate operational changes
- Created an external Child Welfare Advisory group
- Designated the foster care population as its own unique special needs group within our system and dedicated team members and processes solely to these youth
- Identified an eligibility indicator to help us pinpoint when a child in foster care needs extra attention including:
  - Timely, trauma-informed assessments
  - Connection to one of our resources

We are committed to providing a more timely, responsive and collaborative approach to helping children by working closely with our DSS and provider partners.
Value Based Care

Value-Based Care rewards health care providers with incentive payments for delivering high quality care that shows measurable positive outcomes for individuals receiving care.

This is an important and growing trend in healthcare nationally, and Cardinal Innovations focused on growing two Value-Based Care (VBC) initiatives during this past year.

One of our VBC initiatives offers incentive payments for providers who offer high quality follow-up care to a member within seven days of discharge from an inpatient setting. Making sure that members are quickly connected to care after they are discharged helps them stay on track with their treatment and hopefully prevent future admissions.

To help this initiative we have:

- Contracted with 20 of 35 (57%) inpatient facilities
- Contracted with 14 of 17 (82%) of “first wave” targeted outpatient providers (“second wave” will target outpatient child welfare providers)

Under a second VBC initiative, providers who offer Intensive In-Home (IIH) services can receive varying levels of reimbursement payments based on the quality of their performance. This initiative first launched in 2017, but wasn’t required until fiscal year 2020. Benchmark scores have increased over time.

Placing a Premium on Quality Over Quantity

The VBC model places a higher value on the quality of care provided than on the quantity of care. The basic idea is that more does not always mean better. Under the VBC system, payments can change depending on patient outcomes.

VBC systems differ from traditional fee-for-service systems that base payment on the amount of services provided. More is better under this system. Another difference is that there is no shared savings. The N.C. Department of Health and Human Services (DHHS) will require all Tailored Plans to have a value-based payment model in place by the second year of the agreement. All standard plan requirements are likely to be applied to Tailored Plans as well.

VBC is standard in provider and hospital contracting for Commercial and Medicare Advantage Health Plans, and applying it to the Medicaid population will help improve outcomes for members. Some commonly used measures for quality care include:

- Readmissions
- Average Length of Stay (ALOS)
- Healthcare Common Procedural Coding System (HCAHPS)
- Mortality rates
- Healthcare Effectiveness Data and Information Set (HEDIS) measures
Continued Support in Unprecedented Times

Cardinal Innovations uses Medicaid and state funds to connect people with the support and services they need to live their best lives. Fiscal Year 2020 brought new challenges with the COVID-19 pandemic.

Our purpose is to help people with mental and behavioral needs get the support they need to be well, and we’re committed to being transparent in how we do so. In this report, you’ll find detailed reporting on the year, starting with a letter from our CEO, Trey Sutten. At the end of this report, we invite you to submit your feedback so we can continue to improve.
A Greater Investment

Our response to the pandemic increased our care for members and providers in our communities by a total of $42.6 million.

- **$9.4 Million**
  For Provider Residential and Community COVID-19 Support Funding

- **$8.6 Million**
  in expanded Telehealth services

- **$4.3 Million**
  in quality payments for Continuity of Care

- **$3.9 Million**
  in increased use of Case Support

- **$3.2 Million**
  in increase Community funding related to authorization changes

- **$2.9 Million**
  in Division of State Operated Facilities (DSHOF) Providers

- **$2.4 Million**
  in Financial Stability program payments

- **$1.8 Million**
  in Day Supports programs

- **$1.5 Million**
  in In-Lieu of Services for day treatments

- **$1.1 Million**
  in Retention Payments for Innovations members’ caregivers

- **$800,000**
  in Telephonic Services

- **$800,000**
  in use increases with Applied Behavioral Analysis (ABA) services

- **$700,000**
  in enhancements for Immediate Care Facilities (ICF) services

- **$600,000**
  in funding for COVID-19+ members

- **$200,000**
  in Assertive Community Treatment Team (ACTT) Provider support fundings

- **$200,000**
  in expanded call center functions in Mecklenburg County

- **$100,000**
  for temporary housing for members impacted by COVID-19

- **$100,000**
  in membership telephonic and telehealth equipment outreach

We also received more funding due to the pandemic. In managed care, health plans are paid by what’s called per member per month (PMPM). The total dollars received are then used to pay for care and member support for our entire population. Our Medicaid PMPM increased from $137.14 PMPM in Fiscal Year 2019 to $152.21 PMPM in Fiscal Year 2020. We also increased the amount spent on each member per month from $126.97 PMPM in Fiscal Year 2019 to $137.72 PMPM in Fiscal Year 2020.

We also continued to invest in our transformation to integrated care, spending $6.2 million in Fiscal Year 2020 compared to $2.1 million in 2019.

While juggling the many swift changes to how we work, we also reduced the percentage of the budget spent on administrative and other expenses from 9.1% ($80 million) in Fiscal Year 2019 to 7.2% ($67 million) in Fiscal Year 2020.
Growth & Balance

Through financial discipline and responsibility, we are able to ensure access to care, develop new programs, and maintain a sustainable system.

FY 2020 Revenue

$795 Million

$141 Million

FY 2019 Revenue

$741 Million

$104 Million

Medicaid revenue is funding that allows us to manage Medicaid benefits. These funds are received through a contracted arrangement with the State of North Carolina.

Non-Medicaid revenue refers to several other funding streams we manage outside of Medicaid revenue. This includes state funds, county funds, federal block grants, and more.

Creating New Opportunities

We spend funds wisely to ensure that our members receive the services and support they need to live their best lives. In FY 2020, that also meant spending more to meet our members’ needs while reaching and serving them in new ways due to the pandemic.

FY 2020 Revenue

$848 Million

$67 Million

FY 2019 Revenue

$808 Million

$80 Million

Medicaid revenue is funding that allows us to manage Medicaid benefits. These funds are received through a contracted arrangement with the State of North Carolina.

Non-Medicaid revenue refers to several other funding streams we manage outside of Medicaid revenue. This includes state funds, county funds, federal block grants, and more.
Quality Without Compromise

Despite significant cuts to our budget this year, we continue to provide our members with the best supports and services possible.

Total Net Position

**FY 2019** – $191 Million

**FY 2020** – 216.5 Million

Net Gain — change in net position was $25.6 million

The gain in our net position from FY 2019 to FY 2020 is due to a few factors:

We received more Medicaid funding to support our members and the provider community during the COVID-19 pandemic (funding increased from $137.14 to $152.21 per member per month).

For the first time in five years, there were no legislative cuts to single-stream (state) funding. We reduced the portion of the budget spent on administration and other expenses to 7.2%.

**SINGLE-STREAM FUNDING**

What is Single-Stream Funding?

Single-stream funds are state dollars that LME/MCOs use to cover behavioral health services and supports for people who do not have health insurance and do not qualify for Medicaid.

For the first time since FY 2016, there were no legislative cuts to single-stream (state) funding.

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WHAT’S NEXT
The Future of Healthcare Begins Today.


In North Carolina, and at Cardinal, we are continuing to transform the way we think about health care for people living with mental health conditions, substance use disorders and/or intellectual and developmental disabilities (IDD).

As we look to the future of healthcare in North Carolina, we will continue to move towards integrated care for our members. For the very first time, supports and services for behavioral healthcare and IDD are being connected to physical health care and social services like food and housing, all within the same health plan. This means better overall care, less paperwork and red tape, and more connections within the community for our members.
We will also continue to shift how we work with our service providers. This will include improving our partnership and collaboration, adding quality outcome measures for our members, focusing on cultural competency, and adding many more providers and services in order to best meet the needs of our members.

There is still a global pandemic to contend with, and our members are among those most affected. The path ahead will require flexibility, resiliency and determination along with a collective effort in order to keep our members and communities safe and well. Most importantly, we will usher in a new era of compassion and action that is founded on truly listening and responding in real and meaningful ways to our members and communities.

**WHEN WE GET THAT RIGHT, WE CAN BEGIN TO IMPACT OUR TRUE NORTH STAR: BETTER, LONGER, HAPPIER & HEALTHIER LIVES FOR THOSE WE CARE FOR.**
We’re Listening to Learn.

Help us improve Cardinal Innovations Healthcare. Your ideas and input can make all the difference in someone’s health.

Take the Survey

MEDIA INQUIRIES

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