Dear Governor McCrory and Secretary Wos:

On behalf of all of the Members of the NC Legislative Black Caucus, we respectfully request prompt responses to the following questions so that we may be able to communicate with our more than 4 million North Carolinians who are our constituents. In addition, we will share the responses with the general public through our House and Senate Democratic Caucuses.

Amid statewide news stories, constituent calls and recent requests for investigation of issues affecting many North Carolinians, Secretary Aldona Wos chose to communicate via email with only 17 of 170 NC legislators about the status of the Department and issues reported on in the press. DHHS is a large agency with a mission that touches many North Carolinians, including our most vulnerable residents. On-going issues at the Department are linked to new lay-offs from health care providers, lengthy waits for Food Stamps in counties, questions about actions concerning employees and contractors, and the general health and safety of all North Carolinians.
we have questions and concerns and ask that Secretary Wos communicate with all legislators so we can effectively represent our constituents with respect to these very important matters.

Personnel and Staffing

Double-digit salary increases for some staff at a time when most other state employee including public school teachers, received no raise at all in the state’s new two-year budget.

- Ricky Diaz and Matt McKillip each received a more than 35 percent raise at a time when most other state employees, like public school teachers, received no raise at all the state's new two-year budget. Diaz received a 37 percent raise when he was named DHHS communications director, and McKillip was given a 35 percent raise when he was named DHHS chief policy advisor. 35-year-old Jason Simmons, a senior planner, took a $22,500 pay raise in April, bringing his salary to $62,500. NC FAST Information Technology Director Anthony Vellucci received a pay raise of more than $23,000 in June, bringing his annual salary to $168,000. In total, $1.7 million in raises to DHHS staff.

Were the positions advertised and interviews conducted as required?

How many positions received salary increases in excess of 5 percent?

The Dorothea Dix Facilities were determined to not be fit for patients and there appear to be issues as to the health and safety of state employees there:

Has the issue with water (brown water due to the age of the pipes) at the offices where DHHS employees work been addressed?

Have there been water, electric, heating inspections at the facility to ensure no health risks?

The roads at the facility have not been maintained for heavy traffic. Has there been an assessment for safety?

Are plans in place for handicapped employee and visitor accommodations?

With respect to the issues of a new building for NC FAST, why were the rules adjusted so that the low bid was not accepted? Will there be another RFP issued with new bidding?
Of the five bids, why was there a sudden change from the building on Silicon Drive in Durham which represented the low bid to a building in Cary at a cost of $1.2 million more? Please provide the documentation from the federal government requiring the change in building specifications.

Conversion of SPA employees to EPA. SPA protect employees from retaliation so within DHHS, the organizational matrix and responsibilities are such that some line functions could be adversely affected by political influence and conversion.

Are line supervisor positions part of the conversion from SPA to EPA positions? If so, which ones (by title).

Of the positions converted from SPA to EPA status, please provide a list of the functional titles as we have concerns that line supervisor positions have been converted, the rationale for the decisions made and whether or not an analysis has been conducted as to any effect on meeting State and Federal law, rules, regulations.

Sole Source Services Contracts lacking performance standards and for roles associated with positions filled by full time staff.

In the sole source contracts provided to the press for Joe Hauck and Les Merritt, there are no performance standards and the positions appear to be duplicates of FTE positions held by McKillip and the CFO. Please provide the reason there are no performance standards and what appears to be duplicate services. Is there a standard contract format for all DHHS Services Contracts?

Resignation of a long term Public Health Director and firing of long time Dentist.

Why was the supervisor asked to produce information relating to workers under her supervision and what they did on their own personal time?

NC Tracks and Medicaid Reimbursements

Lay-offs and closings among health care providers due to delays with NC Tracks, at a time when NC has the third highest unemployment in the country.

Closures: Vidant Pungo Hospital, a 25-bed facility in the coastal town of Belhaven, within six months, costing about 100 employees their jobs.

Mission Health to lay off fewer than 70 employees.

Albemarle Hospital – laid off 39 employees

HealthServe Community Health Clinic closed its adult practice at the end of August.
• Targets and delays of Medicaid claims. It was recently reported in the *Triangle Business Journal* that of the 2.4 million Medicaid claims filed for the week ending Aug. 23:
  - Of 185,000 institutional claims filed, 59.3 percent were approved; the DHHS target is 65.2 percent.
  - Of 1.5 million professional claims filed, 36 percent were approved; the DHHS target is 68 percent.
  - Of 98,000 dental claims, 54 percent were approved; the DHHS target is 87.2 percent.
  - Of 581 pharmacy claims, 70.7 percent were approved; the DHHS target is 50.1 percent.
  - DHHS mailed in early August, 1,100 paper checks to providers in an attempt to at least get them some money to keep the lights on.
  - DHHS is looking at more than 90,000 backlog items, including 37,000 claims and 11,600 provider relations issues.

Please provide an update as to your backlog, claims and provider relations issues, including: processing time of claims, rate of denials, number of denials initial denied and later paid, and the time from initial claim to payment. In addition, the amount of claims paid in full the first time, and the number of complaints into any entity on a daily basis from June 2012 to today.

Please provide the number of provider account closures from June 2012 to today.

Provide the plan to ensure problems are corrected including target dates.

**NC FAST**

• NC Fast delays and transition errors leading to panic and delays with food stamps and food banks. NC Counties are adding temporary and permanent staff to help with backlog and provision of food drives to feed those delayed with food stamps.

Please provide an update as to the requirements to meet an October 1 deadline for Medicaid on-line with NC Fast and your plan to ensure a smooth implementation. What plan is in place to address any delays in client receipt of Medicaid benefits.

Please provide, by county: the numbers of backlogged food stamp cases awaiting renewal and the processing time for each case; the expected time and plan for getting current on the backlog.
Have there been any adjustments in priorities for inspections of any type of facility?

Has there been a change in the rotation of inspections, in violation of any state or federal mandate, requirement or law, within DHHS?

Has there been any policy decision to change the priority order of any inspections for any facilities within DHHS?

Provide the past three year inspection of health facilities plan, copies of the checklists or tools used to monitor as well as final reports.

Provide all State and Federal requirements related to monitoring visits and how decisions about the inspection schedule were made. Include any changes made in change in the schedule of inspections, checklist or requirements. Send copies of notifications provided on any changes along with effective dates, in violation of any state or federal mandate, requirement or law, within DHHS.

- **Accounting of Audits and Compliance by federal agencies and departments.**

  Each of the audits below are directly linked to the neediest North Carolinians and benefits. What is the status of each of these audits:
  - USDA 2013 SNAP Management Evaluation (Program Access Issues and Program Integrity)
  - GAO SNAP- Program Integrity
  - USDA North Carolina Women, Infants and Children (WIC) Review

- **Internal requests of State employees to conduct surveys with their own medical offices to test the effectiveness of (NC Tracks) and to volunteer with customer service with NC Tracks.**

  Provide a copy of any directive to any employees asked to question their own (or family) healthcare providers about NC Tracks.

  Provide all correspondence to employees about providing customer service with NC Tracks regardless of what job they are assigned or perform on a daily basis

We look forward to receiving the responses.

Warmest regards,

[Signature]

Representative Garland Pierce
Chairman, NC Legislative Black Caucus