

REDEFINING MANAGED CARE



2011-
2012
Annual
Report

pbH

REDEFINING MANAGED CARE



“There are so many people touched by our system of care. I believe we are really making a difference.”

*Pamela Shipman
Chief Executive Officer*

2011-2012 may have been our busiest year on record! June 30, 2012 marked the end of an era for PBH and the beginning of our transition to Cardinal Innovations Healthcare Solutions.

PBH was formed in 1974 by the counties of Cabarrus, Stanly and Union. Rowan was added in 1997 and Davidson in 2005. On July 1, 2012, we transitioned from five to 15 counties. The PBH name was retired, and we left behind a Board that has served us well for the past 37 years. We have a legacy of service to our communities that has made a difference in the lives of people with mental health, intellectual/developmental disabilities and substance use/addiction conditions. We are very proud of our history.

Our biggest accomplishment was expanding the 1915 (b)(c) Medicaid waiver to 10 additional counties. We partnered with:

- Alamance and Caswell on October 1, 2011*
- Vance, Granville, Franklin, Warren, and Halifax on January 1, 2012*
- Orange, Person and Chatham on April 1, 2012*

When we expanded geographically, the Medicaid waivers that PBH had operated since April 2005 were expanded to 10 new counties. Waiver expansion involved enrollment of thousands of consumers, and more than 600 new providers. Our general population doubled from 750,000 to 1.2 million people, and our Medicaid population increased from 105,000 to 220,000. The 15 counties we serve ensure the economy of scale necessary to operate even more efficiently to provide access to necessary care for people living in our region, as well as to enforce quality standards and reduce Medicaid costs. I want to welcome Alamance, Caswell, Vance, Granville, Franklin, Warren, Halifax, Orange, Person, and Chatham counties to our family. We are proud of their history and honored by their choice of PBH, now Cardinal Innovations, as a partner.

As part of our expansion, we established four Community Operations Centers (COCs). The Community Operations Centers were created to serve the counties formerly covered by each of the four former Local Management Entities (LMEs): Alamance-Caswell, Five County, Orange Person Chatham, and PBH. Staffing at the Community Operations Centers includes Consumer Affairs, Provider Relations, Community Relations, Quality Management, and Care Coordination. Our goal is to strengthen and expand existing community relationships through our local presence. We want to remain an important member of all of our communities.

The waiver expansion process was coordinated through the Community Operations Centers in each region. Community Operations Center staff provided information, assistance and individual support to consumers and families, providers, local service agencies and other stakeholders. While there were some difficulties throughout the process, great effort was made to resolve problems quickly and to ensure there were no negative impacts on consumers. Providers were major contributors to the successful outcome of the expansion through their commitment to continuity of care for people in service. We are very appreciative of their partnerships.

Many of our staff worked long hours and gave up personal and family time in order to ensure that this expansion was a success. I want to recognize their efforts and express my gratitude for their contributions to this great endeavor! The mandate for change in the healthcare system is sweeping across the nation under the Affordable Care Act. We must change or we will not be effective in serving our communities. We are in a strategic position to translate legislative changes at the state and federal levels into high quality, cost effective, and responsive services. We have a strong foundation upon which to build Cardinal Innovations Healthcare Solutions!

Pamela Supan

“I’ve seen their dedication and their leadership with special needs people – if we’re not perfect now, we’re going to get really close.”



*Rick Hibbett
Member parent*

In 2011 and 2012, building on the achievements of efficiency and satisfaction, PBH partnered with three LMEs to successfully expand the 1915(b)(c) Medicaid waiver to 10 additional counties in North Carolina. PBH partnered with Alamance-Caswell in October 2011, Five County in January 2012 and OPC in April 2012 to expand the waiver to Alamance, Caswell, Franklin, Granville, Halifax, Vance, Warren, Orange, Person and Chatham counties, adding approximately 100,000 Medicaid-eligible individuals to its registry.

The expansion followed PBH’s seven-year history of demonstrating solid customer satisfaction, significant cost savings, strong relationships with providers, and commitment to the community, while operating the demonstration waiver for Cabarrus, Davidson, Rowan, Stanly and Union counties.

The expansion will result in

- improved access to services;
- improved quality of services and supports for children and adults with mental health, intellectual/developmental disabilities and substance use/addiction needs;
- the delivery of services within a quality management framework;
- the empowerment of consumers and families to shape the system through their choices of services and providers; and
- the creation of a more responsive system of community care through LME partnerships with consumers, providers and community stakeholders.

PBH has also assumed the management of state-funded behavioral health services for each of the former Local Management Entities, now Community Operations Centers.

The Community Operations Centers ensure a local presence for the 15 counties served by PBH. The COCs are responsible for operations that involve interactions with consumers, providers, local stakeholders and other agencies involved in the care of people with mental health, intellectual/developmental disabilities and substance use/addiction conditions. This includes provider relations, consumer affairs, community relations, housing, system of care, quality, and care coordination.

In order to attain operational efficiency and standardization, back-office functions are centralized in PBH’s Kannapolis location. These functions include access call center, claims processing, financial management, human resources, information systems and specialty operations support.

CORE VALUES

ACCOUNTABILITY

We are responsive, fair and reasonable.

INTEGRITY

We uphold the highest ethical standards.

EXCELLENCE

We are best at what we do.

PARTNERSHIP

We honor, trust and empower others.

COURAGE

We are unwavering in our commitment to the greater good.

IN THE COMMUNITY

PBH maintains a high level of visibility within the communities it serves. Community Relations and Consumer Affairs staff work with external partners — including school systems, Departments of Social Services, parish nurses, Departments of Juvenile Justice, governmental offices, behavioral healthcare providers, advocacy groups, and consumers and their families — to ensure PBH is meeting the training and educational needs of the community. Community Relations and Consumer Affairs staff offer trainings on a variety of topics, attend meetings in the community, serve on community boards and, in general, represent the face of PBH. They work collaboratively to ensure the needs of individuals receiving services and their families are being met.

During 2011-2012, Community Relations and Consumer Affairs provided educational outreach to over 12,000 consumers, family members, community stakeholders and providers. Trainings were held throughout the 15-county PBH region and included Lunch and Learns, presentations, participation in community health fairs and other exhibits, as well as consumer and provider forums and question, and answer sessions.

PURPOSE MISSION VISION

To enhance the health and well-being of the individuals and their families.

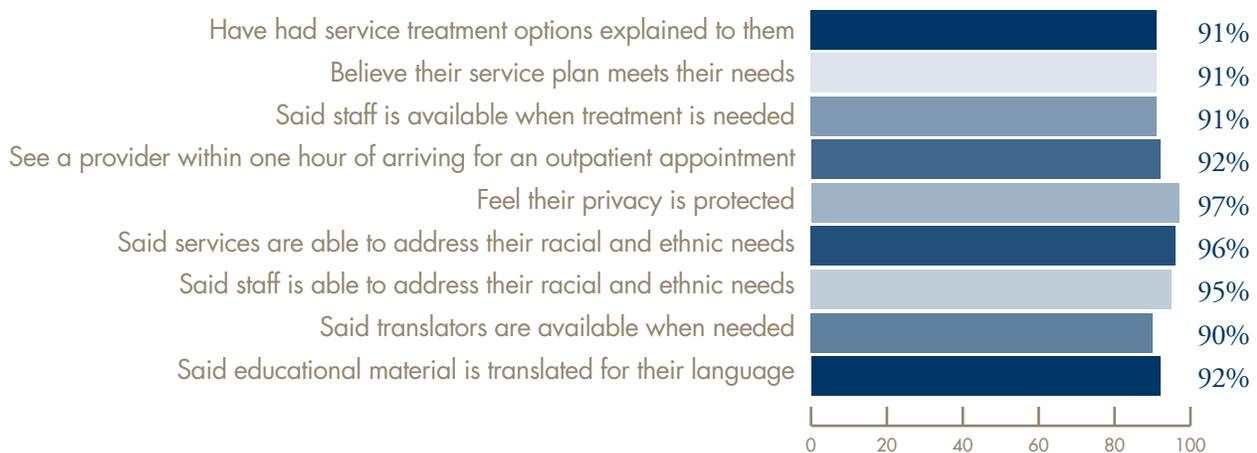
We create and manage quality solutions for people who depend on the public system for care.

A community where each person is welcomed, respected and valued.

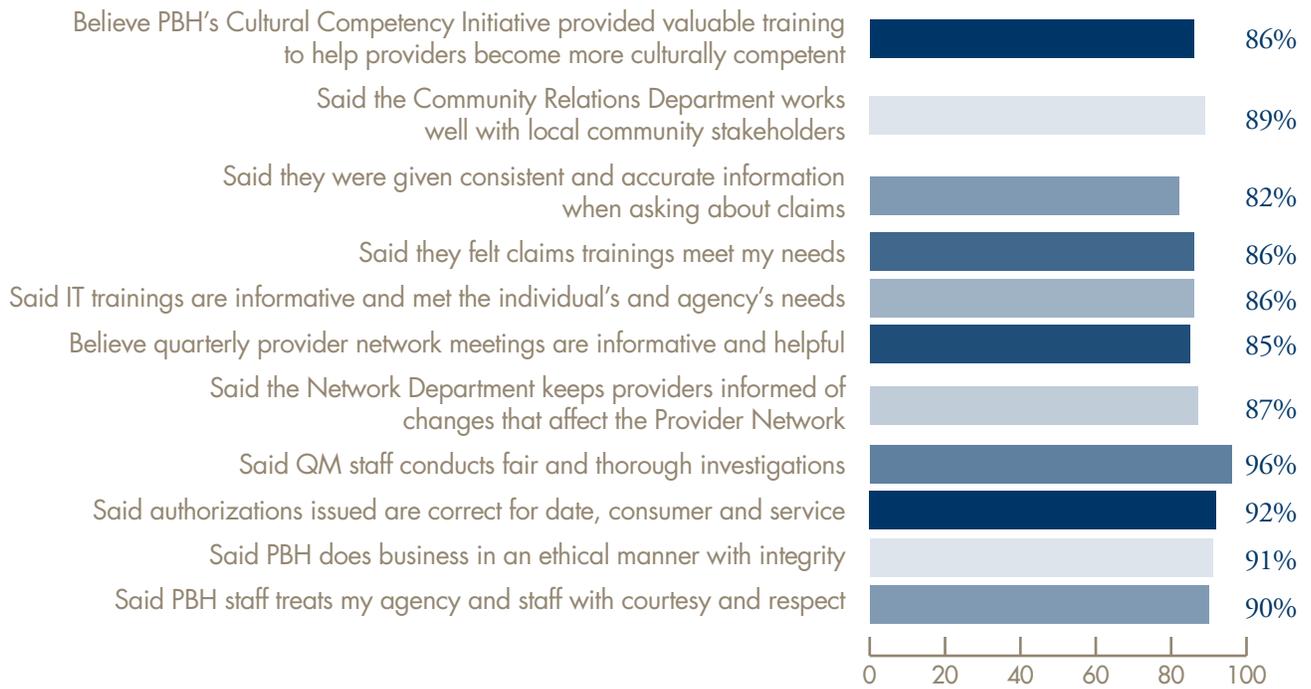
WHAT OTHERS THINK

Each year, PBH sends out two surveys that serve as the yardstick for success of the past year and provide insight into opportunities for improvement for the coming year. Both are sent via an impartial third-party who receives and tallies the information. The Consumer Satisfaction Survey is designed to measure the overall satisfaction of consumers, accessibility of services provided by the PBH Provider Network and their availability. The Provider Satisfaction Survey is designed to measure the overall satisfaction of the members of the PBH Provider Network.

In 2012, 86 percent of consumers and family members who responded to the Consumer Satisfaction Survey said they were satisfied with services from PBH providers. Other notable responses include:



In 2012, 83 percent of providers who responded to the Provider Satisfaction Survey said they were satisfied with their experiences as a member of the PBH Provider Network. Other notable responses include:



“The people are really good to me, because you are all my best friends.”

Dani



In Fiscal Year 2011-2012, PBH successfully expanded Medicaid Waivers to **10** additional counties by partnering with three Local Management Entities:

ALAMANCE-CASWELL (October 2011)

FIVE COUNTY (January 2012)

OPC (April 2012)

To ensure a seamless transition for consumers and their families, PBH established a Corporate Office in Kannapolis, NC, and four local Community Operations Centers to support the counties previously served by the LMEs. The PBH model of managed care offers predictable costs and efficiencies of centralized operations, yet maintains local presence. PBH has operated this model of care successfully in North Carolina for seven years.

Corporate Office responsibilities are back-end functions that oversee and support the front-line work provided by the COCs. Corporate Office responsibilities include Administrative, Clinical, Community, Financial, Information Technology and Legal operations. To ensure continuity and seamless continuation of care, Access Call Center functions from the expansion areas transitioned to the Corporate Office's Access unit.

“I know it’s not me, it’s US as a team.”

Yalanda



The COCs are responsible for operations that involve interactions with consumers and their families, providers, local stakeholders, and other agencies involved in the care of people with mental health, intellectual/developmental disabilities and substance use/addiction conditions. Local presence is maintained through four COCs operating in the Piedmont and Central regions of North Carolina:

THE ALAMANCE-CASWELL COMMUNITY OPERATIONS CENTER serves Alamance and Caswell counties in the Piedmont Triad of northern central North Carolina. The region covers a total area of 863 square miles, with a population of 176,693. The area is home to Alamance Community College and Elon University. Chief industries are textiles, manufacturing and agriculture.

THE FIVE COUNTY COMMUNITY OPERATIONS CENTER serves Franklin, Granville, Halifax, Vance and Warren counties near the Research Triangle in northern central North Carolina. The region covers a total area of 2,433 square miles, with a population of 241,457. The area is home to Vance-Granville Community College and Louisburg College.

THE OPC COMMUNITY OPERATIONS CENTER serves Orange, Person and Chatham counties in the Piedmont and Research Triangle areas of central North Carolina. Orange County is one of the three corners that comprise the Research Triangle, which includes the major cities of Chapel Hill, Durham and Raleigh. The total area is 1,514 square miles, with a population of 239,587. The region is home to Central Carolina Community College, Piedmont Community College and the University of North Carolina-Chapel Hill. Chief industries are textiles and agriculture, historically tobacco, dairy and poultry farming, and coal mining.

THE PIEDMONT COMMUNITY OPERATIONS CENTER serves Cabarrus, Davidson, Rowan, Stanly and Union counties in the Piedmont area of North Carolina. The total area is 2,500 square miles, with a population of 748,273. The region is home to Davidson Community College, Rowan-Cabarrus Community College, South Piedmont Community College, Stanly Community College, Barber-Scotia College, Catawba College, Livingstone College, Pfeiffer University and Wingate University. Chief industries are furniture manufacturing, textiles, agriculture and poultry farming. The region is also home to the Queens Cup Steeplechase.

“It brings me joy to know that there is a company out here like PBH, that not only cares about the employee, but they have a sincere care for the people they serve.”



Shirley

PERSONS SERVED

Expansion of North Carolina's 1915 (b)(c) Medicaid waiver allowed PBH the opportunity to serve more people. During FY '11-12, PBH served more than 43,000 individuals in its 15-county region – more than double the number of people who received services in the previous Fiscal Year.

PERSONS SERVED BY COUNTY :

Alamance	5,279
Cabarrus	5,804
Caswell	647
Chatham	725
Davidson	5,661
Franklin	1,389
Granville	1,156
Halifax	2,708
Orange	2,073
Person	996
Rowan	6,213
Stanly	3,428
Union	4,456
Vance	1,788
Warren	688
Total for all counties	43,011

WE ARE RESPONSIVE

In 2011-2012, PBH saw an increase in grievances filed by consumers and providers. The total of 341 grievances filed in FY '11-12 was up 64% from the previous year when 121 total grievances were filed. The increase is due to the company's expansion from five counties in 2010-2011 to 15 counties in 2011-2012. Despite the increase in grievances filed, Quality Management staff was able to resolve 85% of the grievances within 30 days, with most being resolved within 21 days. PBH takes grievances seriously and believes resolution is important for its consumers, their families and providers.

Days to Resolve Grievances	Total Grievances	# Resolved within 30 Days	% Resolved within 30 Days	# Resolved within 31-60 Days	% Resolved within 31-60 Days
FY '08/09	229	173	76%	52	23%
FY '09/10	198	159	80%	37	19%
FY '10/11	121	105	87%	16	13%
FY '11/12	341	289	85%	44	13%

WE ARE RESPONSIVE TO OUR PROVIDERS

PBH understands the company is only as strong as the providers who deliver services. To ensure the strength of providers, PBH is committed to timely payments for submitted claims. During FY '11-12, our Finance Department processed an average of 23,578 claims per month. Clean claims were paid within 11 days of submission.

Clean Claims	July 2011	Aug. 2011	Sept. 2011	Oct. 2011	Nov. 2011	Dec. 2011	Jan. 2012	Feb. 2012	March 2012	April 2012	May 2012	June 2012
Avg. # of Days to Pay a Clean Claim	8	9	10	8	9	11	9	7	9	8	9	8

FY '11-12 TYPE OF REFERRALS

Piedmont Region
(7/1/11-6/30/12)

Emergent – 800
Urgent – 178
Routine – 2234

Alamance-Caswell Region
(10/1/11-6/30/12)

Emergent – 196
Urgent – 132
Routine – 4088

Five County Region
(1/1/12-6/30/12)

Emergent – 163
Urgent – 107
Routine – 1108

OPC Region
(4/1/12-6/30/12)

Emergent – 55
Urgent – 141
Routine – 683

ACCESS CALL CENTER

PERFORMANCE FY 2011-2012

MEMBER CALLS

- Piedmont Region (7/1/11-6/30/12) 30,377 member calls offered with an average speed of answer of 6 seconds during 2011-2012
- Alamance-Caswell Region (10/1/11-6/30/12) 3,740 member calls offered with an average speed of answer of 6 seconds during 2011-2012
- Five County Region (1/1/12-6/30/12) 11,581 member calls offered with an average speed of answer of 6 seconds during 2011-2012
- OPC Region (4/1/12-6/30/12) 3,283 member calls offered with an average speed of answer of 6 seconds during 2011-2012

Total member calls offered FY '11-12 = 48,981 with an average speed of answer of 6 seconds.

ACUTE SERVICE PROVIDER CALLS

- All regions (7/1/11-6/30/12) 14,378 provider calls offered with an average speed of answer of 6 seconds during 2011-2012

“The more efficient we become, the more opportunity there is to help the people that we serve, which ultimately is our goal.”

*Carlos Hernandez, M.S.W., L.C.S.W.
Chief Clinical Officer*



LEADERSHIP 2011-2012

BOARD OF DIRECTORS

Alamance County

Tom Manning, Commissioner
David Carter
John Moon

Cabarrus County

Bob Carruth, Commissioner
Betty Babb
Sabrina Hafer Bronson

Caswell County

Jeremiah Jefferies, Commissioner
Ethel Gwynn
Ethel Fuller

Davidson County

Fred McClure, Commissioner
Dean Vick, Vice-Chair

Rowan County

Raymond Coltrain, Commissioner
Willi Beilfuss
Bill Burgin, Chair
John Burke

Stanly County

Joshua Morton, Commissioner
Dale Poplin
Dr. Leonard Saltzman
Barbara Whitley

Union County

Jerry Simpson, Commissioner
H. Gene Herrell
Lucy Drake

EXECUTIVE TEAM

Pamela Shipman
Chief Executive Officer

Carlos Hernandez, M.S.W., L.C.S.W.
Chief Clinical Officer

Craig Hummel, M.D.
Chief Medical Officer

Keith McCoy, M.D.
Associate Medical Director

Pete Murphy
Chief Information Officer

Richard Topping, J.D., M.P.H.
General Counsel

Robert Kocourek, CPA
Chief Financial Officer

Stephan Tomlinson
Chief Community Operations Officer

Steven Timmons
Chief Administrative Officer



Bill Burgin and Pam Shipman

“Pam Shipman and Steve Tomlinson, Chief Community Operations Officer, embraced the concept [creation of the Minority Coalition] and agreed to provide a space where providers of color could come together to share their concerns, as well as find positive outcomes. . . The support and encouragement of the Executive Leadership team at PBH has been vital to our success.”



Diana Duncan, CEO, Diana's Homecare

REDEFINING MANAGED CARE

OUR FOCUS IS ON THE CARE IN MANAGED CARE.

Our focus is on the Care in Managed Care. PBH is the insurance plan for people with Medicaid and for people who are uninsured or underinsured who live in the PBH region. We are committed to the principles of respect, quality, diversity, recovery and self-determination. Our goal is to offer the same quality care that you would expect from a private insurance plan.

What makes PBH different is that we operate managed care in North Carolina from the public sector perspective. The PBH model of managed care emphasizes partnership with individuals/families, our network of providers and community stakeholders to find solutions that will make a difference in the lives of people who depend on the public system. Savings gained from efficiencies in operations are reinvested back into services so that the right services are provided to people in our region.

PBH has redefined managed care in a way that is inclusive of both high tech and high touch principles. We manage resources efficiently, partnering with our providers to deliver the best services to our consumers utilizing both technology and a hands-on approach. The PBH model uses a high tech and unique Information Technology system to manage the overall company operations, and to deliver valuable information to providers, consumers and their families. At the same time, PBH offers a high touch approach through our care coordinators who visit consumers' homes, and Consumer Affairs and Community Relations staff who maintain high visibility and interactive participation in the communities we serve. Everything we do is focused on ensuring the best possible services are available for people that depend on the public system for their care.

