



November 3, 2010

Arthur Carder, Jr.
Chief Executive Officer
Western Highlands Network
356 Biltmore Ave.
Asheville, NC 28801

Dear Mr. Carder:

The WNC Health Network, representing hospitals in western NC, supports the Western Highlands Network (WHN) in receiving a 1915(b)(c) Medicaid Waiver. We support the goals of this waiver: to increase consumer access to care, improve quality of care, and demonstrate cost effectiveness.

There continue to be issues in the counties served by WHN related to mental health and substance abuse patients presenting to Emergency Departments when other service providers would be more appropriate. We believe that this opportunity will allow WHN to manage funds and coordinate services locally. There has been a collaborative effort to work together on issues between hospitals with three-way contract beds and WHN through the Network's Mental Health Task Force meetings. Progress has been made, however, this funding change would further allow the utilization and allocation of dollars to more closely match the needs of the population in the counties served by WHN.

Other aspects of the waiver that would benefit the hospitals providers include:

- Provider concerns about authorizations and claims can be addressed by local LME staff who know the community and the local service environment.
- Flexibility and resources to develop specialized services, targeted programs, and rates (such as for high risk consumers who need high cost services, or to reduce hospital admissions and use of the emergency departments, or to develop needed services in an underserved area).
- Resources to further develop the WHN Crisis Continuum.
- Providers would have greater input into benefit plans and the service/supports delivery systems.

We look forward to our continued work together in addressing the needs of persons with mental health and substance abuse issues. For some individuals, we hope services at a local level will prevent placement in Broughton Hospital.

Yours truly,

Janice Lato
President & CEO