

Medicaid Transformation Overview & Update

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North Carolina's Vision for Medicaid Managed Care

By implementing managed care, and advancing integrated and high-value care, North Carolina Medicaid will improve population health, engage and support providers, and establish a sustainable program with more predictable costs.

Agenda

- **NC Medicaid Managed Care**
 - **The Basics**
 - **Legislative Authority**
 - **Excluded Populations**
 - **Carved-Out Services**
 - **DHHS Planning**
- **Managed Care System Features (Highlights)**
 - **Eligibility & Enrollment (E&E)**
 - **Beneficiary Supports**
 - **Provider Supports**
 - **Care Management**
 - **Addressing Social Determinants of Health**
 - **Quality**
- **Managed Care Progress & Updates**
 - **Governance Model**
 - **DHHS Managed Care Updates Website**
 - **DHHS Managed Care Milestones**

NC MANAGED CARE OVERVIEW

Medicaid Managed Care Already Exists in NC

What North Carolina Has Now

- **PRIMARY CARE CASE MANAGEMENT (CCNC)—State Plan**
 - Primary care provider-based
 - State pays additional fee to provide care management
- **PACE**
 - Comprehensive, capitated
 - 55 years old and older
 - Available in certain areas, not currently statewide
- **LME/MCOs (BEHAVIORAL HEALTH PREPAID HEALTH PLAN)—1915 b/c**
 - Cover specific populations and specific services
 - Provides care coordination for identified and priority groups

What Managed Care Will Bring

- **Prepaid Health Plans (PHPs) will take two forms:**
 - Commercial Plans
 - Provider-led Entities
- **Participating MCOs will be responsible for coordinating all services (except services carved out) and will receive a capitated payment for each enrolled beneficiary**

NC's Move to Managed Care—1115 Waiver: The BASICS

- **Session Laws 2015-245 & 2016-121**
- **Transform State's current Medicaid and NC Health Choice programs from fee for service to managed care structure**
- **Timing: Go live within 18 months of CMS approval; estimated July 2019**
- **Prepaid Health Plans (PHPs)**
 - **3 statewide MCOs (commercial plans)**
 - **Up to 12 Provider Led Entities (PLES) in 6 regions**
- **Transitions 1.5 million individuals with Medicaid into managed care**
- **PHPs must include all willing providers in their networks, limited exceptions apply**
- **Maintain Identified essential providers**

Background-Session Laws 2015-245 & 2016-121

Excluded Populations

- Individuals dually eligible for Medicaid and Medicare
- PACE beneficiaries
- Populations with short eligibility spans (e.g., medically needy and populations with emergency-only coverage)
- Enrollees with periods of retroactivity and presumptive eligibility
- Health Insurance Premium Payment (HIPP) beneficiaries
- Program of All-inclusive Care for the Elderly (PACE) beneficiaries
- *Family planning
- * Prison inmates

*not in original legislation, will require a statutory change

Background-Session Laws 2015-245 & 2016-121

Services carved out of Medicaid managed care

- **Dental**
- **Services prescribed by Local Education Agency (LEA) services**
- **Services provided by Child Development Service Agencies (CDSAs)**
- **Eyeglasses and provider visual aid dispensing fee***

***not in original legislation; exclusion of dispensing fee will require enabling legislation**

Prepaid Health Plans: DHHS PLANNING*

- **Beneficiary chooses plan that best fits their personal situation**
- **Health Plans offer 2 different plan or product types**
 - **Standard plans (Proposed—Needs Legislative Authority)**
 - **Integrated physical, behavioral and pharmacy services**
 - **Tailored plans (Proposed—Needs Legislative Authority)**
 - **Integrated physical, behavioral and pharmacy services for special populations**
 - **Includes Innovations waiver, 1915(b)(3), federal block grant and state funded services**
 - **2 years post launch: for individuals with serious mental illness, serious emotional disturbance, substance use disorders and I/DD**
- **Specialized PHP for children in foster care (Pending Legislative Authority)**
- **Roll-in of other specialized groups to allow for thoughtful tailoring**

*requires statutory change

Delayed Mandatory Enrollment—DHHS PLANNING*

SPECIAL POPULATION	ENROLLMENT	AFTER MANAGED CARE BEGINS up to
Children in foster care and adoptive placements	22,000	1 year
Certain Medicaid and NC Health Choice beneficiaries with an SMI, SUD or I/DD diagnosis, and those enrolled in TBI waiver	85,000	2 years
Medicaid-only beneficiaries receiving long-stay nursing home services	2,000	2 years
Medicaid-only CAP/C and CAP/DA waiver beneficiaries	3,500	4 years
Individuals eligible for Medicare and Medicaid (dual eligibles)	245,000	4 years

*Requires statutory change

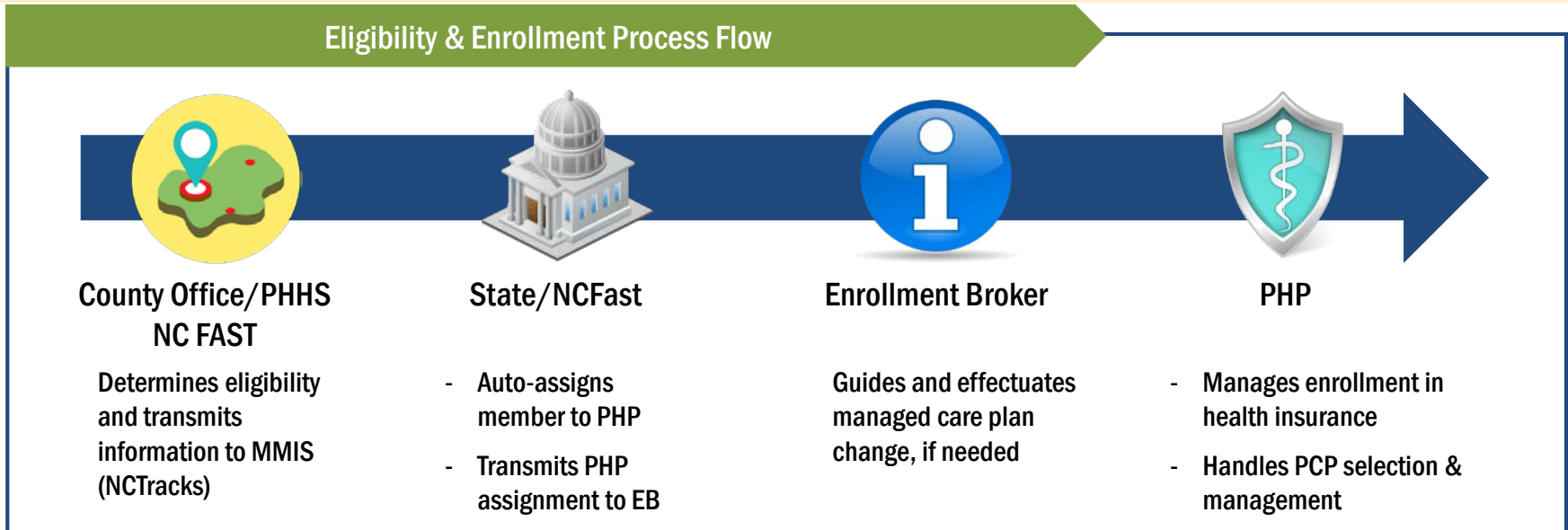
Enrollment numbers and phase-in dates are estimated and may change

Includes individuals formerly in foster care up to age 26

Managed Care System Features

Role in Eligibility and Enrollment

Under managed care, beneficiaries will have to select a PHP after eligibility determination



ENROLLMENT BROKER: An individual or entity that performs choice counseling or enrollment activities, or both

CHOICE COUNSELING

Provision of information and services to assist beneficiaries in making enrollment decisions. Includes answering questions and identifying factors to consider when choosing among managed care plans and primary care providers. Choice counseling does not include making recommendations for or against enrollment into a specific MCO, PIHP or PAHP.

ENROLLMENT ACTIVITIES

Activities such as distributing, collecting and processing enrollment materials and taking enrollments by phone, in person or through electronic methods of communication.

Beneficiary Supports

PHP

- Member services staff
- Explain PHP operation
- Explain role of PCP
- Assist with making appointments and obtaining services
- Arrange non-emergency medical transportation
- Fielding questions and complaints
- Advising appeal and grievance rights and options
- Education to promote health, wellness, disease prevention

Enrollment Broker

- Assist beneficiaries with enrollment
- Provide education about managed care, role of PHPs and PCPs
- Counsel beneficiaries as they select PHP and PCP that best fits their situation

Ombudsman

- Advocate for beneficiaries
- Provide support and active preparation for appeals, grievance and fair hearing processes
- Facilitate real-time issue resolution
- Monitor trends in PHP performance or beneficiary concerns, with feedback to DHHS

PROVIDER SUPPORTS

- Open Network
- Network Adequacy & Access to Care Monitoring
- Centralized Credentialing Support
- Provider Supports (DHHS & PHPs)
 - Training around managed care
 - Training around VBP, state priorities around standards of care (SOC)
 - Data support for care management

Care Management—STANDARD PLANS

- North Carolina has long been known for its successful primary care case management (PCCM) program.
- **GOAL:** Maintain and expand the best elements of today's program, while establishing appropriate flexibility for prepaid health plans (PHPs) to innovate and improve enrollee health.
- **GOAL:** Care management will be a shared responsibility of providers, PHPs and enrollees, with strong emphasis on care management being delivered locally — including opportunities for face to face interactions — to the greatest extent possible.
- The Advanced Medical Home (AMH) program is a key part of North Carolina's care management strategy. **GOAL:** taking on greater levels of responsibility for care management.
- Local Health Departments (LHDs) will continue to play a critical role in care management for high-risk pregnancy and at-risk young children.

Addressing Unmet Social Needs (Social Determinants of Health-SDOH)

70%

of health outcomes are tied to non-medical social determinants

16%

households in NC are food insecure

81%

receiving food assistance don't know where next meal is coming from

73%

receiving food assistance have had to choose between paying for food or health care or medicine

1.2M

North Carolinians, rural and urban, cannot find affordable housing

USDA Economic Research Service, "Food Security status of U.S. Households in 2015"

ncfoodbanks.org/hunger-in-north-carolina/

Robert Wood Johnson, County Health Rankings, countyhealthrankings.org/app/north-carolina/2017/overview

SDOH/Unmet Resource Needs: System Features

- **PHP Standardized Screenings**
 - Use instrument with questions related to food insecurity, housing instability, transportation needs, toxic stress/environment
 - PHPs measured on rate of screenings conducted, successful linkage
- **PHP Care Management**
 - Must address unmet resource needs; include care navigation
- **PHP Community Re-Investment**
 - PHPs will be required to reinvest based on community needs
- **(DHHS-Wide) Public-private pilots that address known unmet resource needs**
- **(DHHS-Wide) Resource mapping**
 - Map social determinants of health indicators at community and ZIP code level
 - Build on current resource management databases, like 211 or Wake Network of Cares

QUALITY STRATEGY & QUALITY MANAGEMENT/IMPROVEMENT

- **GOAL:** A data-driven, outcomes-based continuous quality improvement process that rewards PHPs for advancing quality outcomes in targeted areas that support three central Aims:
 - (1) Better Care Delivery
 - (2) Healthier People, Healthier Communities
 - (3) Smarter Spending
- Goals for PHP quality improvement efforts through quality measure sets, with baselines, targets and benchmarks
 - Withholds tied to measures sets
 - Measures broken down by disparity
- Requirements for deployment of Value- Based Purchasing Payments (VBP) & Practice Support
- Required Provider Incentive Programs
- Required Quality Assessment and Performance Improvement plans (QAPI)
- Required Accreditation
- Required External Quality Review (EQR) validation

MANAGED CARE GOVERNANCE

MEDICAL CARE ADVISORY COMMITTEE (MCAC)

- Federal law requires that states have a Medical Care Advisory Committee (MCAC) to advise them about health and medical care services that may be covered by their local Medicaid programs. In North Carolina, MCAC advises the state about such issues as revisions to existing policies, policy development, and methods of assessing the quality of care, for both Medicaid and N.C. Health Choice.
- **SUBCOMMITTEES**
 - **Standing Groups: Long Term**– addressing Medicaid Transformation topics initiated during planning and design but continues through implementation and oversight/monitoring phases.
 - **Ad hoc groups: Short Term**–addressing specific Medicaid Transformation topics where the Department is seeking to inform stakeholders and seek input on specific questions; initiated now during planning and design phases

MCAC Subcommittees

- Small groups (10ish members)
- Broader than MCAC
 - Include public
 - Individuals represent constituent groups, organizations or associations
- Six Committees
 - Credentialing
 - Network Adequacy
 - Behavioral Health/IDD/SUD
 - Beneficiary Engagement
 - Provider Engagement
 - Quality
- Each has
 - Beneficiary
 - MCAC representative who is Chair
- Conflict of interest/ disclosures

MANAGED CARE UPDATES & PUBLICATIONS

North Carolina's Proposed Program Design for Medicaid Managed Care

https://files.nc.gov/ncdhhs/documents/files/MedicaidManagedCare_ProposedProgramDesign_REVFINAL_20170808.pdf

- Presents DHHS's vision for managed care
- Developed with significant stakeholder input received over the past year, including public input sessions in April/May 2017
- Provides details broader than Section 1115 waiver submitted to CMS in June 2016
- Drafted with health care professionals in mind
- Accompanying documents
 - Fact Sheet for Medicaid and NC Health Choice providers
 - Fact Sheet for people with Medicaid

Medicaid Managed Care Requests for Information



<https://www.ncdhhs.gov/nc-medicaid-transformation>

Responses Due by Dec. 15 at 2 p.m. ET

Request for Information	Topic
<u>Managed Care Program Operations RFI Addendum extending deadline to Dec. 15</u>	Addresses managed care operations, including a request for a statement of interest from prospective prepaid health plans (PHPs)
<u>Managed Care Program Actuarial RFI Addendum extending deadline to Dec. 15</u>	Addresses financial aspects of managed care, including information on the proposed capitation rate setting methodology

NC Amended Section 1115 Demonstration Waiver Application



<https://www.ncdhhs.gov/nc-medicaid-transformation>

- [Amended Waiver](#) - Submitted Nov. 20, 2017
 - Key components
 - Timeline
- [Amended Waiver Fact Sheet](#) - Posted Nov. 20, 2017
- Comments encouraged by Preferred by Dec. 29, 2017

Medicaid Managed Care Concept Paper on Hospital Supplemental Payments



<https://www.ncdhhs.gov/nc-medicaid-transformation>

- [Addressing Hospital Supplemental Payments in the Transition to Managed Care - Posted Nov. 21, 2017](#)
 - Proposed Payment Methodology Guiding Principles
 - Proposed Payment Methodology: Inpatient Payments
 - Proposed Payment Methodology: Outpatient Payments
 - Applying the New Payment Methodology
 - Changes to Provider Assessments
- Responses **due Dec. 20, 2017**

Medicaid Managed Care Concept Paper on Behavioral Health and I/DD Tailored Plan



<https://www.ncdhhs.gov/nc-medicaid-transformation>

- [Behavioral Health I/DD Tailored Plan Concept Paper](#) - Posted Nov. 9, 2017
 - Populations eligible
 - Benefits covered
 - by both SP and TP
 - exclusively by BH/I/DD TPs
 - Enrollment Processes
- [Population Profiles](#) - Posted Nov. 9, 2017
- Responses Preferred by Dec. 11, 2017

Transformation milestones

Nov. 2017

- Released 2 Requests for Information
- Released proposed PHP capitation rate setting methodology
- Released 3 concept papers: Network Adequacy, Behavioral Health I/DD Tailored Plans & Supplement Payments
- Submitted amended 1115 waiver application to CMS

Early 2018

Publish additional concept papers

2018

Procure centralized credentialing & enrollment broker vendors

Feb. 2018

Anticipated CMS approval:

- Expenditure authority to pay for substance use disorder services in an IMD
- Amended waiver application

Spring 2018*

Release Request for Proposal

July 2019*

Managed care Phase 1 goes live; waiver effective for 5 years

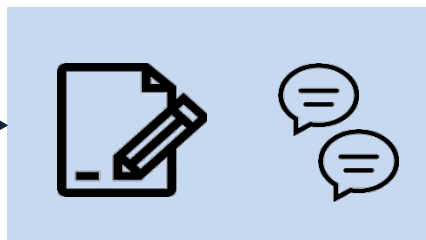
* Assuming timely CMS approval and other activities

More to come.....

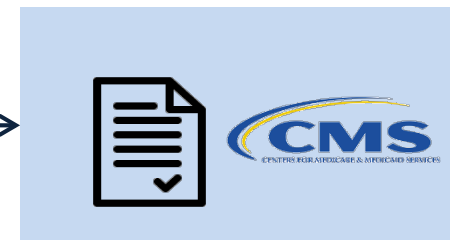
- Stakeholder engagement
- Release additional design details
- CMS negotiations and waiver submission



- Engagement with small groups, the Medical Care Advisory Committee, EBCI
- MCAC membership and subcommittees



- Release additional design details (concept papers)
- Managed Care Quality Strategy will be released with a 30-day public comment period



- Submission of Amended 1115 Waiver Application
- Public comments on waiver



To share comments, email:

Medicaid.Transformation@dhhs.nc.gov

For NC Medicaid managed care information and documents:

www.ncdhhs.gov/nc-medicaid-transformation