NC Department of Health and Human Services

Healthy Opportunity Pilots

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Infrastructure and Elements across all populations

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<th><strong>Hot Spot Map</strong></th>
<th>• GIS map of social determinants of health indicators at census tract level</th>
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<td><strong>Screening</strong></td>
<td>• Statewide Standardized Screening Questions</td>
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<td><strong>NCCARE360</strong></td>
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<td><strong>Aligning Enrollment</strong></td>
<td>• Coordinating enrollment across programs e.g., Medicaid, WIC, SNAP</td>
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What Are the Healthy Opportunities Pilots?

The federal government authorized the flexibility to use up to $650 million in state and federal Medicaid funding to TEST the impact of select non-medical interventions designed to improve health outcomes and reduce healthcare costs for a subset of high medical and social risk Medicaid Managed Care enrollees.

Pilot funds will be used to:

- Support capacity building to establish “Lead Pilot Entities” that will develop and manage a network of human service organizations (HSOs), and strengthen the ability of HSOs to deliver Pilot services
  - DHHS will procure Lead Pilot Entities with deep roots in their community that can facilitate collaboration across the healthcare and human service providers through building partnerships.
- Cover the cost of federally-approved Pilot services
  - DHHS is developing a fee schedule to reimburse entities that deliver non-clinical services in NC’s priority domains

NC’s priority “Healthy Opportunities” domains
What Entities Are Involved in the Pilots?

**Sample Regional Pilot**

- **North Carolina**
  - Prepaid Health Plan
  - Prepaid Health Plan
  - Prepaid Health Plan
  - AMH/Care Managers
  - AMH/Care Managers
  - AMH/Care Managers

**Lead Pilot Entity**

- **Human Service Organizations (HSOs)**
  - HSO
  - HSO
  - HSO

**Pilot Entities: Overview**

- Key pilot entities include:
  - Healthy Opportunities Pilot Enrollees
  - North Carolina DHHS
  - Prepaid Health Plans (PHPs)
  - Care Managers (*predominantly located at Tier 3 AMHs and LHDs*)
  - Lead Pilot Entities (LPEs)
  - Human Service Organizations (HSOs)
Overview of Eligibility For Pilot Services

To be eligible for pilot services, Medicaid managed care enrollees must have:

- **At least one Needs-Based Criteria:**
  - Physical/behavioral health condition criteria vary by population:
    - Adults (e.g., 2 or more chronic conditions)
    - Pregnant Women (e.g., multifetal gestation)
    - Children, ages 0-3 (e.g., Neonatal intensive care unit graduate)
    - Children 0-21 (e.g., Experiencing three or more categories of adverse childhood experiences)

- **At least one Social Risk Factor:**
  - Homeless and/or housing insecure
  - Food insecure
  - Transportation insecure
  - At risk of, witnessing or experiencing interpersonal violence

*See appendix for full list of eligibility criteria.*
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<th>Rate setting inputs</th>
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<td>Labor: Wages, employee-related expenses</td>
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<td>Staffing Ratios: Case Loads</td>
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<td>Focus Groups</td>
<td>Transportation: Time and mileage for service providers</td>
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<td>Expert Interviews and NC DHHS Consultations</td>
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<td>Existing Data sources on cost inputs (e.g. Labor Bureau)</td>
<td>Indirect costs: Administrative staff costs and overhead</td>
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<td>Benchmark analysis for similar services</td>
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<td>Public Feedback on Revised definitions and fee structure methodology July 2019</td>
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<tr>
<td>Food</td>
<td>Housing</td>
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<td>Food and Nutrition Access Case Management Services</td>
<td>Housing Navigation, Support and Sustaining Services</td>
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<td>Evidence-Based Group Nutrition Class</td>
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<td>Fruit and Vegetable Prescription</td>
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<td>Medically Tailored Home Delivered Meal</td>
<td>Short-Term Post Hospitalization Housing</td>
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Fee-Schedule/Value-Based Payments

- Initial Fee schedule to include Fee-for-service, Cost-based reimbursement, Bundled payments/PMPMs
- Evolution of future fee-schedules to include less fee for service/more bundles as we gather more data
- Overlying advancing value-based payment

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<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
<th>Year 4</th>
<th>Year 5</th>
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<td>Incentive payments for successful implementation</td>
<td>Incentive payments for delivering pilot services</td>
<td>Withhold payments to ensure enrollees unmet resource needs are met</td>
<td>Withhold payments linked to health outcomes</td>
<td>Shared savings payments*</td>
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*Costs savings based on subset of pilot enrollees whose services are likely to result in decreased medical expenses in the short-term. Assures pilot entities are not penalized for approving effective, evidence-based upstream interventions that result in a financial return on investment over the longer-term
Evaluation - Rapid cycle/Summative

• Main goal of pilots is to establish and evaluate a systematic approach to integrating and financing evidence-based, non-medical services into the delivery of healthcare.

• UNC Sheps Center

• Rapid cycle assessments
  – Evaluation throughout pilots to learn in real time and make adjustments
  – Evolving metrics - Operational readiness, service delivery, resource needs met, self-reported quality of life, health outcomes, utilization, cost

• Summative evaluation
  – Health, utilization, and cost savings overall and by sub-groups
  – Determine cost-neutrality and cost-effectiveness of interventions by sub-group
  – Implementation science
  – Learn how to scale interventions that worked into Medicaid statewide
Process/Time Line

- **Oct 2018**: Approved as part of 1115 Demonstration Waiver Approval
- **Feb 2019**: White Paper on Pilot Design/Request for Information on service definitions and cost elements
- **Spring 2019**: Multiple forums for further input and market research
- **July 2019**
  - Further guidance on Lead Pilot Entity (LPE)/Non-binding Statement of Interest (17)
  - Refined Pilot Service Definitions, Methodology for fee schedule for public comment
- **August 2019**: CMS Approved Evaluation Plan – Rapid Cycle and Summative
- **September 1**: Revised Service Definitions and Fee schedule submitted to CMS
- **Fall 2019**: Request for Proposals (RFP) to determine LPEs/Pilot Regions
- **Early 2020**: Award LPEs/Pilot Regions
- **Most of 2020**: Capacity building for LPEs and regions
- **Early 2021- October 2024**: Service Delivery