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# NC Medicaid Reform

### The Goal of Medicaid Reform

 The Department's goal is to improve the health of all North Carolinians through an innovative, whole-person centered, and wellcoordinated system of care, which purchases health while addressing both medical and non-medical drivers of health.



# **Medicaid Reform**

- All benefits currently provided to Medicaid recipients will be covered under managed care.
- All plans must pay current Medicaid fee for service rates that exist today but are encouraged to create value based payment contracts
- There will be one state wide Preferred Drug Plan
- There will centralized credentialing of providers
- There will be standardized quality measures across plans
- Enrollment Broker contract has been awarded



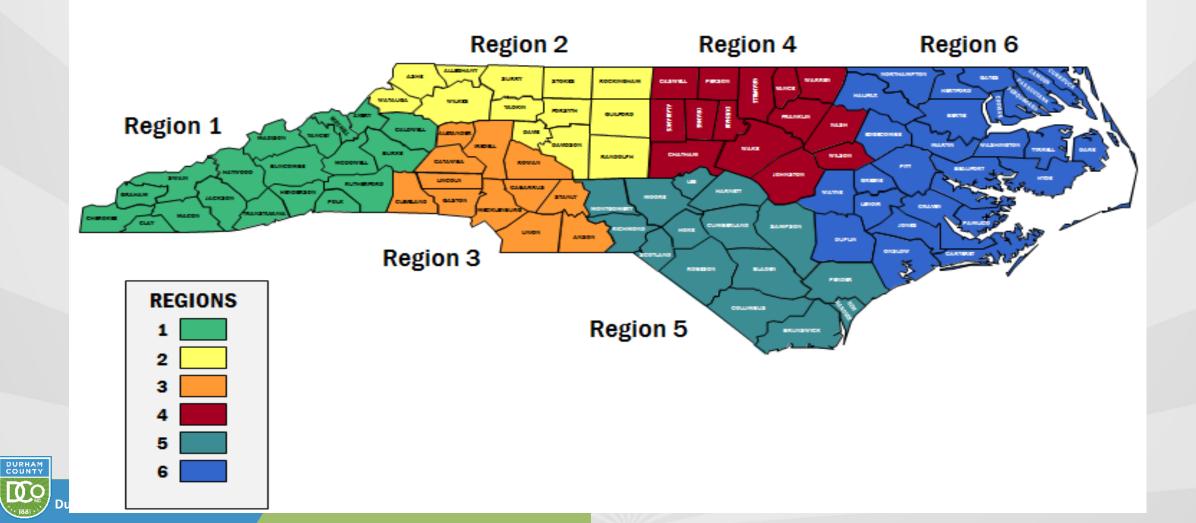
### **Prepaid Health Plan (PHP) – Standard and Tailored**

- Standard Plans launch the first year.
  - Commercial Plans (CP) formerly referred to as MCOs
  - Provider Lead Entities (PLEs). There will be 4 Statewide PHPs and possibly as many as 2 PLE's for Durham's region (Region 4). Regional PLEs must have 50K beneficiaries.
- Tailored plans
  - Behavioral Health and Intellectual and Developmental Disability plans launch one year after standard plan.
  - The Tailored Plans include Severe and Persistent Mentally III (SPMI e.g. schizophrenia), serious mental illness (SMI), serious emotional disturbance (SED), intellectual/developmental disabilities (I/DD), and traumatic brain injury (TBI).
  - There will be a minimum of 5 and no more than 7 Tailored Plans.



# Map of PHP Regions

#### **PHP regions**



### **Overview of the Plan**

- Prepaid Health Plans (PHP's) population represents 75% of all beneficiaries 1.5 Million
- PHPs responsible for Medical and Mental Health issues (except those covered under the tailored plans) as well as transportation.
- DSS will be responsible for Transportation for beneficiaries remaining in Fee For Service (25% of all Beneficiaries)
- State will attempt to evenly distribute population among PHPs including utilizing auto-assignment to plan. PHPs can have up to 40% of the market within a region.
- Local DSS responsible for Medicaid Eligibility
- Local DSS enrollment process will include choice of primary care practice
- Independent Enrollment agency will facilitate selection of PHPs

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### **Overview Continued**

- Local Health Departments continue providing OBCM and CC4C if they choose to; for up to two year or more. The reimbursement rate remains the same.
- Dental is carved out not included in the PHPs.
- Cost settlement goes away for Health Departments and Hospitals.
- Cost Settlement remains for FQHC



## Excluded and Exempt Beneficiaries in Phases 1 and 2 of Medicaid Managed Care

- "Excluded" population include: <u>Children in Foster Care and</u> <u>Adoptive placement, CAP-DA and CAP-C, Medicaid only</u> <u>beneficiaries in a nursing home for 90 days or more</u>, DUALs, PACE, Medically Needy, Presumptive eligible, Emergency care only, Family Planning and prison inmates. Some of the populations (underlined) will phase into PHPs over 4 year period. The only exempt population is the Cherokee Nation.
- Excluded and Exempt population Transportation and other Medicaid Eligible services to be continued by current delivery system.



### **Beneficiaries in Medicaid Managed Care**

- DSS will continue to take, process and determine eligibility. DSS hands off to PHP selection process managed by Enrollment Broker (MAXIMUS).
- MAXIMUS will offer counseling in choosing a PHP and enroll beneficiaries in PHPs. The counselors will be expected to provide resources, education and assistance in the following: Services covered under the Plan, lists of PHPs, Comparison charts, and instructions on how and by what deadline to select PHP, and education about non-emergency medical transportation
- MAXIMUS will auto enroll individuals who do not choose a PHP.



### **The Advanced Medical Home Program**

- Tier 1 and 2 cover every CA I and CA II practice. Tier 1 is phased out within a year (Very few practices remain in CA I)
- Tier 3 is designed to be more advanced practices ready to take on care management responsibilities by itself or through its Clinically Integrated Network (CIN).
- CIN provides Data, risk stratification and care management services if the AMH chooses to use it. A practice in a CIN will be automatically certified as an AMH.



## The Advanced Medical Home Program Payment Models

- DHHS will set standardized payments for each Tier that the PHP will be required to adhere.
- <u>Clinical Service Payments</u> PHPs will be required to comply with minimum rate floors set at the Medicaid fee-for-service levels; practices will be free to negotiate higher amounts or alternative payment models.
- <u>Medical Home Fees</u> Practices will continue to receive payments equivalent to today's CA payments.
- <u>Care Management Fees</u> available to Tier 3 practices to be negotiated with PHPs
- <u>Performance-based payments</u> In the first 2 years, PHPs will be contractually required to design and offer performance – based payments in Tier 3 only and only upside payments.



### **Care Management Roles and Responsibilities**

- <u>PHPs</u> will be required to complete care screenings, to perform claims analysis and risk scoring to identify enrollees at risk; stratify their population by level of need; perform comprehensive assessments for those identified as part of "priority population"; and ensure that care management tasks place in as local a setting as possible.
- PHPs will be required to submit "local care management plan"
- Local Health Departments will remain crucial in providing care management for high—risk pregnant enrollees and at risk infants and young children (OBCM and CC4C for a minimum of 2 years)



## **Roles and Responsibilities continued**

DHHS will:

- Ensure accountability by setting clear clinical, quality and administrative priorities and objectives
- Standardize certain requirements to ensure consistent care management approach across PHPs.
- Standardize formulary and Prior Authorization(PA), although it is unclear if the standardized PA list is only a ceiling and PHPs will be allowed to have fewer PAs than the Department standard.



#### **Roles and Responsibilities continued**

- Local Care Management: Occurs in a hospital or emergency department, a physician's office, a local health department, an enrollee's home, or on other community – based settings where face-to-face care management is available.
- <u>Designated Care Management Entity</u>: Advance Medical Home (AMH)practice, Local Health Department, other contracted entities capable of performing care management for a designated cohort.



#### **Care Management Strategy under Managed Care**

- <u>DHHS</u> will establish a single, statewide set of standards for practice eligibility for the AMH program and for each Tier.
  <u>Current PMPM remains for the first two years – pass through the PHPs.</u>
- Providers may chose not to participate in the AMH program or may choose to participate in the AMH through a PHP, a network or alone.
- The AMH program offers four tiers of participation, with practice requirement, payment models, and performance incentive payment expectations differing by tier. Tier 4 will be phased in in Year 3 of managed care.

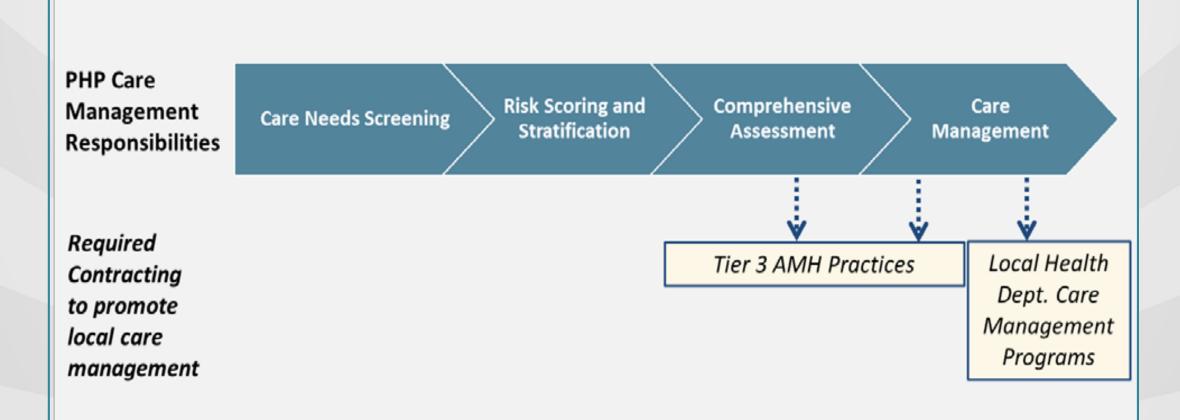


### The Advanced Medical Home Program Data Sharing

- PHPs will be required to share the following types of information
  - Assignment/attribution list
  - Results of PHPs' risk stratification, including cost and utilization outliers
  - Initial enrollee level of care needs screening data
  - Enrollee level summary of information, including gaps, medication summaries, and pertinent utilization events;
  - Practice level quality measures performance information
  - For Tier 3 and 4 practices enrollee level claims and encounter data.



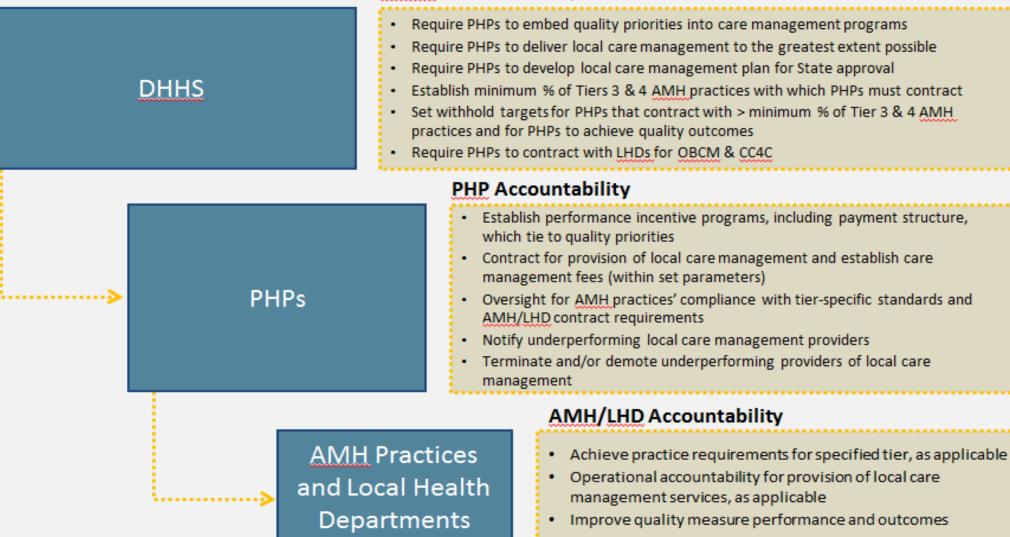
### PHP Care Management Functions Required to be held at the Local Level





### **Structure for Accountability of Care Management**

#### **DHHS** Accountability





### Social Determinants of Health and Adverse Children Experiences (ACEs)

- Standardize Screening tool (to occur once a year)
- Resource data base (NCCARE 360). Platform will be open to the public.
- Social Service Integrated platform
- Geographic information system Hot Spot SDOH
- Public Private partnership pilots (Local Pilot Entity – LPE). Two statewide SDOH Private –Public Partnership pilots will be funded; if CMS agrees to finance the pilots with a separate allocation. LPEs have to encompass at least 3 counties.



### Social Determinants of Health and Adverse Children Experiences (ACEs)

- SDOH Four Priority Areas are: Food Security, Housing Stability, Transportation, and Interpersonal Violence.
- SDOH questions include
  - 2 from Hunger Vital Sign
  - 3 From PRAPARE (Protocol for Responding to and Assessing Patients' Assets, Risks, and Experiences)– related to Housing
  - 1 from PRAPARE related to Transportation
  - 1 From PRAPARE related to family intimate partner or community violence
  - 1 from Pregnancy Medical Home related to interpersonal violence
  - 1 from HARK (Humiliation, Afraid, Rape, Kick) tool related to emotional abuse



## Social Determinants of Health and Adverse Children Experiences (ACEs)

• The SDOH screen will be implemented as part of the "Care NEEDs" Screening Instrument - All enrollees to be screened within 90 days of enrollment.

#### **DHHS Requirements;**

- PHPs share results of screens with PCP within 7 days of assignment
- PHPs will put forth a definition of "High unmet resource needs" ; a minimum definition includes: homeless, domestic violence/lack of personal safety, individual screening positive for 3 of 4 core SDOH domains,
- PHPs will incorporate into their risk stratification individuals who score as "high unmet resource need",
- PHPs must include the four SDOH core domain in their Comprehensive assessment form,
- PHPs as part of their Care Management Platform must have the following:
  - Comprehensive understanding of local resources
  - In-person assistance in securing health-related
  - Access to medical-legal partnership for legal issues adversely affecting health
  - Housing specialist



### **Anticipated Timeline for Providers**

- Now and ongoing. Care providers may be contacted by potential PHPs who wish to initiate contract discussions.
- February 2019. NC will award contracts to the selected health plans to be PHPs in managed care.
- Summer 2019. PHPs must have contracted with enough care providers for their network to meet DHHS standards.
- July 2019. PHPs must have all call centers operational and all relevant staff located in North Carolina.
- July-September 2019. Managed care will start in two phases. For regions of the state in Phase 1, this will be the window in which beneficiaries select a PHP.
- November 2019. The Medicaid managed care program will launch in regions in Phase 1. Anticipate Beneficiary enrollment 3 months prior to launch of each Phase
- October-December 2019. For regions of the state in Phase 2, this will be the window in which beneficiaries select a PHP.
- February 2020. The Medicaid Managed Care will launch in regions in Phase 2



# DURHAM COUNTY

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### Thank You!





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