

Frequently Asked Questions: North Carolina Healthy Opportunities Pilots

The North Carolina Department of Health and Human Services (the Department) released a Request for Information (located at <https://tinyurl.com/y2xo66te>) and complementary Policy Paper (located at <https://tinyurl.com/y6hz2co2>) on February 15th, 2019 to solicit feedback on the Healthy Opportunities Pilots. This “Frequently Asked Questions” document serves as supplemental and clarifying guidance for the most commonly asked questions. For additional, detailed information about the Pilots (e.g., explanations of the roles and responsibilities of key entities, descriptions of the approach to evaluating the Pilots, etc.) please see the Pilot Policy Paper (located at <https://tinyurl.com/y6hz2co2>).

#	Question	Answer
Qualifying for and Enrolling in a Pilot		
1	Who qualifies for participation in the Healthy Opportunities Pilots?	To qualify for enrollment into the Pilots, a Medicaid enrollee must be enrolled in a Prepaid Health Plan (PHP) in North Carolina’s Medicaid managed care program and meet at least one State-defined physical or behavioral health criteria and at least one State-defined social risk factor. All Pilots will use the same criteria for eligibility. A full list of criteria is included in Appendices A and B of the Pilot Policy Paper (located at https://tinyurl.com/y6hz2co2).
2	How will Medicaid beneficiaries who qualify for the Pilots be identified?	<p>PHPs and care managers will use a wide range of information to identify high-need individuals who may qualify for Pilot enrollment. For example, PHPs may use information from the mandatory care needs screening, which includes State-standardized questions on unmet health-related resource needs (located at https://tinyurl.com/y3jdzznj), a comprehensive care needs assessment, claims information, or referrals from providers or beneficiaries themselves.</p> <p>The State will develop a standardized tool and guidance for PHPs and care managers to use to assess whether an individual qualifies for Pilot enrollment.</p> <p>Human services organizations (HSO) will not determine who qualifies for the Pilots; however, if an HSO identifies a Medicaid enrollee who is not enrolled but appears eligible for the Pilots, the HSO can contact the member’s PHP or care manager.</p>
3	How will Medicaid beneficiaries, including foster care children, who are not enrolled in a PHP Standard Plan at the launch of managed care be enrolled into the Pilots?	NC Medicaid beneficiaries must be enrolled in a PHP to qualify for enrollment into a Pilot. Most Medicaid populations will be mandatorily enrolled in PHPs, although some special populations will be phased into mandatory enrollment over time. Once these individuals enroll in a PHP, they may qualify for a Pilot. Populations who will be phased into PHP enrollment include:

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		<ul style="list-style-type: none"> Individuals enrolling in Behavioral Health/Intellectual or Developmental Disability (BH I/DD) Tailored Plans, which will launch in 2021. Children in foster care or the Department’s kinship program. These individuals will enroll in PHPs at a future time. <p>Some populations will be excluded from Medicaid managed care (such as individuals dually enrolled in Medicaid and Medicare) and therefore these populations will not enroll in the Pilots.</p>
4	What incentives or protections will be in place to ensure high-cost, high-need individuals are enrolled into the Healthy Opportunities Pilots?	Each PHP will receive a capped allocation of funding outside of its Medicaid managed care capitated rates to pay for Pilot services delivered to its Pilot enrollees. The PHPs are at risk for medical, behavioral, and pharmacy costs in their capitated rates and therefore will be incentivized to use the Healthy Opportunities pilot dollars to address the un-met resources needs of their high-needs members, as a way to reduce medical, behavioral, and pharmacy costs.
Approved Pilot Services		
5	What are the four priority Healthy Opportunities domains?	The Department has identified four priority Healthy Opportunities domains: housing, food, transportation and interpersonal violence/“toxic stress.” Each Pilot service falls into one of these four domains.
6	Are the services listed in Appendix C of the Pilot Policy Paper the only services that can be provided by the Healthy Opportunities Pilots?	The Pilot services listed in Appendix C of the Pilot Policy Paper were negotiated with the Centers for Medicare and Medicaid Services (CMS) and are the only Pilot services eligible for federal Medicaid funding through the funding approved for the Pilots under the terms of North Carolina’s Medicaid 1115 waiver. However, the Department is pursuing a philanthropy strategy that may allow for other services to be funded for Pilot enrollees.
7	Has the Department developed guidelines for the minimum share of Pilot funds allocated to each domain?	No. The Department will establish parameters for use of Pilot funds in each of the four domains of non-medical need across populations as part of the Lead Pilot Entity procurement process.
Pilot-Related Roles and Responsibilities of Prepaid Health Plans		
8	What is the role of Prepaid Health Plans (PHPs) that offer Standard Plan benefits in the Healthy Opportunities pilots?	PHPs that offer Standard Plan benefits must contract with any Lead Pilot Entity (LPE) operating in the PHP’s regions. These PHPs are contracted to participate in the Healthy Opportunities Pilots in several ways, including oversight of care management, authorization of member enrollment into the pilot and the delivery of pilot services, management of total pilot funding, and reporting on a range of metrics. Details of these requirements can be found in the Request for Proposal for Medicaid Managed Care Prepaid Health Plans,

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		Addendum 1 – Scope of Services (located at https://tinyurl.com/yyg68owq), beginning on page 143. The Department plans to provide additional guidance to PHPs regarding their pilot obligations.
9	What is the role of PHPs that offer BH I/DD Tailored Plan benefits in the Healthy Opportunities pilots?	Once Behavioral Health and Intellectual/Developmental Disability (BH I/DD) Tailored Plan contracts are in effect, PHPs that offer BH I/DD Tailored Plan benefits will be required to contract with any LPE operating in the PHP’s region(s). For more information on BH I/DD Tailored Plans, please see the Behavioral Health and I/DD Tailored Plan Concept Paper (located at https://tinyurl.com/yxgac6x5) and Stakeholder Update on Tailored Plan Design (located at https://tinyurl.com/y4w7h9dv).
Pilot-Related Roles and Responsibilities of Care Managers		
10	Who is responsible for providing Pilot-related care management, such as assessing Medicaid enrollees for Pilot qualifying criteria and ensuring an enrollee receives Pilot services that they’ve been authorized to receive?	<p>The Healthy Opportunities Pilots are designed to be embedded within the Medicaid Managed Care, care management infrastructure, leveraging care managers who will be responsible for enrollees’ physical, behavioral and social needs. For all enrollees assigned a care manager, the care manager will perform standard functions such as: completing a comprehensive assessment, developing a person-centered care plan, and managing physical and behavioral health needs.</p> <p>In Pilot regions, PHPs and these same care managers will also have new Pilot responsibilities. While PHPs are ultimately responsible for approving Pilot enrollment and authorizing the delivery of Pilot services, care managers will assess Medicaid enrollees for their Pilot qualifying criteria and identify which Pilot services may best address the individual’s needs. Care management entities will receive additional funding for these extra responsibilities.</p>
11	What are the core Pilot responsibilities of care managers serving Pilot enrollees?	<p>Care managers’ Pilot-related responsibilities that go above and beyond their standard care management responsibilities include:</p> <ul style="list-style-type: none"> • Assessing Medicaid enrollees for Pilot qualifying criteria (including the physical or behavioral health conditions and social risk criteria in Appendices A and B of the Policy Paper) and identifying which Pilot services can best address an individual’s needs. • Obtaining consent from the enrollee and authorization from the enrollee’s PHP to specific Pilot services. • Ensuring that an individual’s person-centered care plan includes Pilot services and coordinating and tracking their access to an appropriate Human Service Organization(s).

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		<ul style="list-style-type: none"> Reassessing Pilot enrollees on an ongoing basis to determine if needs are being met and if additional Pilot services may be recommended. Documenting and collecting data to support the Department’s evaluation of the Pilots.
Lead Pilot Entity Roles, Responsibilities and Potential Organizations		
12	How are the Pilot geographic regions chosen?	<p>Lead Pilot Entities—not the Department—will propose their Pilot’s geographic boundaries in their response to the Department’s Request for Proposal (RFP). The geographic area served by a Pilot must:</p> <ol style="list-style-type: none"> Consist of at least two contiguous counties that preferably cover both urban and rural areas, and Not cross over more than one Medicaid PHP region. <ol style="list-style-type: none"> <i>Note:</i> The Pilot region does not need to fill an entire Medicaid PHP region <p>A partnership of organizations may form a Lead Pilot Entity to promote cross-county relationships. In this case, the Department expects there to be a single point of accountability for contracting purposes and for all interactions with the Department.</p> <p>An organization that offers services statewide may be a Lead Pilot Entity but must define a geographic Pilot region that meets the criteria above.</p>
13	Is there a minimum number of beneficiaries that a Pilot is expected to serve?	The Department may establish expectations for the minimum number of enrollees a Pilot must serve in the RFP.
14	Can a PHP apply to serve as an LPE?	No. PHPs and Local Management Entity-Managed Care Organizations (LME-MCOs) may not serve as Lead Pilot Entities.

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15	Are Tier 3 Advanced Medical Homes (AMHs) permitted to apply to become an LPE?	<p>Tier 3 AMHs are not precluded from applying to become a Lead Pilot Entity.</p> <p>The Department expects that Lead Pilot Entities will generally be an existing community-based social service organization, health organization, or a partnership of such organizations. Lead Pilot Entities may choose to partner with healthcare systems, but the Department anticipates they will not be led by them.</p> <p>A Lead Pilot Entity must be rooted in its community, understand its community dynamics, and be able to pull together a range of organizations with disparate expertise and experience to build partnerships and create a smooth experience for Pilot enrollees.</p>
16	Are County Health Departments permitted to apply to become an LPE?	A county health department is not precluded from applying to become an LPE or an HSO; however, the geographic area served by a Pilot must consist of at least two contiguous counties. A partnership of organizations may form a Lead Pilot Entity to promote cross-county relationships. In this case, the Department expects there to be a single point of accountability for contracting purposes and for all interactions with the Department.
17	Can an HSO apply to be an LPE? And, can an LPE also provide Pilot services as an HSO?	HSOs are not precluded from applying to become an LPE and may serve as both the LPE and an HSO. However, an LPE will be expected to manage a diverse network of multiple HSOs to ensure adequate access to services for Pilot enrollees. That is, an LPE cannot propose to include only (or primarily) its own organization as its network.
Human Service Organizations		
18	Does an HSO have to have a contract with an LPE to participate in the Pilot? Must care managers refer enrollees to “in-network” HSOs?	HSOs must be in a Lead Pilot Entity’s network to receive Medicaid reimbursement for the provision of a Pilot service to a Pilot enrollee. Nothing precludes a care manager from referring an enrollee to an out-of-network HSO, but the HSO cannot be reimbursed for the service out of Pilot funds.
19	How will HSOs be assessed for participation in the Pilots?	<p>Lead Pilot Entities will determine whether an HSO meets qualifications prior to entering into a contract in accordance with forthcoming state guidelines. Lead Pilot Entities will be permitted to establish additional HSO qualifications contingent on State approval.</p> <p>Many HSOs are likely to require support to prepare for participation in the Pilot, including hiring staff to provide Pilot services, providing training and developing systems for submitting invoices to bill for Pilot services. The Department</p>

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		anticipates working with the Lead Pilot Entities to provide some direct capacity building funding to HSOs before they begin providing Pilot services.
20	Can an HSO's contract be terminated for under performance?	If an LPE assesses that an HSO is underperforming, the LPE must provide technical assistance and the opportunity to improve performance. HSOs will be required to undertake corrective actions, as necessary and required by the LPE, to ensure continued compliance with Pilot requirements and continued Pilot participation. If performance does not improve sufficiently to meet contracting standards, the LPE may terminate the HSO contract.
Pilot Service Fee Schedule		
21	What is a "Pilot fee schedule?"	<p>The Pilots represent the first time Medicaid funding will systematically pay for non-medical services for a broad subset of Medicaid enrollees, requiring the development of a Fee Schedule.</p> <p>The fee schedule will include service definitions and associated prices for approved Pilot services, which all Pilots will adhere to in their reimbursement practices. Responses to the RFI from HSOs and other stakeholders will be critical to developing a transparent and equitable fee schedule. The fee schedule is scheduled to be submitted to CMS on July 1, 2019 for review and approval.</p>
22	Are modifications to the Pilot fee schedule permitted after the state receives federal approval from CMS?	The Department will consider whether to make modifications to the Pilot fee schedule over the course of the Pilots based on engagement with and feedback from Pilot participating entities.
23	How can an organization open the Cost Worksheet Excel file in a way that it can be completed?	When the spreadsheet first opens, there will be a bar at the top of the document that reads, "Protected View," with an option to click "Enable Editing." Once you click "Enable Editing," you will be able to enter data into the cells highlighted in yellow on the four designated data entry tabs. The remainder of the excel document is locked and password protected to ensure respondents do not change or fill in additional cells beyond those data entry cells.
24	Should organizations respond to the Service Description Template and Cost Worksheets as a Pilot region, or as individual organizations?	The Department would especially like to understand service description and cost information at the level of individual HSOs. If multiple organizations work together to submit one RFI, please ensure that service description templates and cost report worksheets identify the organization that provides each component of the service.
Value Based Payment		
25	What process and outcome-based measures	Payments to PHPs and Lead Pilot Entities for Pilot services will increasingly be linked to operational ability, enrollees' health

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	will be used to support value-based payment arrangements?	outcomes and health care costs through various value-based payment arrangements over the course of the demonstration. The key process and outcome-based metrics tied to value-based payment arrangements will evolve over the course of the demonstration. Appendix E of the Pilot Policy Paper provides example metrics that may support value-based payments for Lead Pilot Entities and PHPs. The Department will develop the final list of metrics, supported by stakeholder feedback.								
Request for Information										
26	What is the purpose of the Pilot Request for Information?	The purpose of the Healthy Opportunities Pilots RFI is to: <ol style="list-style-type: none"> 1. Solicit feedback from potential Pilot partners and other interested stakeholders on considerations related to Pilot design and implementation; 2. Obtain information which may be used to develop a Request for Proposal (RFP) to solicit Lead Pilot Entities; 3. Solicit service descriptions and cost data from HSOs to assist the Department in developing the fee schedule. 								
27	When are responses to the Pilot RFI due?	Responses to the Pilot RFI are due by e-mail to deidra.jones@dhhs.nc.gov by 2 pm on Friday, March 15 th , 2019.								
28	Are RFI respondents required to respond to every question in every section of the RFI? What if there are questions that an organization is not equipped to answer?	While the Department encourages respondents to respond to all questions and items within the RFI, there is no obligation to do so. All information that the Department collects is helpful, so the Department encourages respondents to respond to any question to which the organization or individual wishes to provide input. The table below details parts of the RFI that may be of particular interest to specific types of organizations: <table border="1" data-bbox="669 1304 1425 1619"> <thead> <tr> <th>Organization Type</th> <th>Sections of Key Interest (Section IV.B. of the RFI)</th> </tr> </thead> <tbody> <tr> <td>Organizations interested in participating as a Lead Pilot Entity</td> <td> <ul style="list-style-type: none"> • Roles & Responsibilities: Lead Pilot Entities </td> </tr> <tr> <td>Organizations considering participating as Human Services Organizations</td> <td> <ul style="list-style-type: none"> • Roles & Responsibilities: Human Service Organizations • Defining, Pricing and Paying for Pilot Services </td> </tr> <tr> <td>Advanced Medical Homes and Local Health Departments</td> <td> <ul style="list-style-type: none"> • Roles & Responsibilities: Care Managers </td> </tr> </tbody> </table>	Organization Type	Sections of Key Interest (Section IV.B. of the RFI)	Organizations interested in participating as a Lead Pilot Entity	<ul style="list-style-type: none"> • Roles & Responsibilities: Lead Pilot Entities 	Organizations considering participating as Human Services Organizations	<ul style="list-style-type: none"> • Roles & Responsibilities: Human Service Organizations • Defining, Pricing and Paying for Pilot Services 	Advanced Medical Homes and Local Health Departments	<ul style="list-style-type: none"> • Roles & Responsibilities: Care Managers
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29	Is submission of a response to the RFI a requirement for being considered in the later Lead Pilot Entity procurement?	No. While the Department encourages organizations to respond to the RFI, responses will have no bearing on an organization’s prospects for an award of a Pilot.								
Pilot Evaluation										
30	How will the Pilots be evaluated?	To ensure that Pilot enrollees receive the most effective Pilot services, the Department has developed a preliminary design								

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		for rigorously evaluating the Pilots, including rapid cycle assessments (RCAs) and a summative evaluation delivered upon the conclusion of the demonstration. Comprehensive evaluation of the Pilots will be conducted by an independent third party. All Pilot participating entities will be expected to comply with data collection and reporting obligations to support the Department’s evaluation efforts but will not need to conduct their own evaluation of the Pilots.
31	In what ways will the evaluation assess the effectiveness of the Pilots?	Evaluation of the Pilots is intended to assess the effectiveness of the program in addressing social risk factors, improving health outcomes, supporting appropriate healthcare utilization, and reducing healthcare costs. Evaluation of the Pilots’ impact on healthcare utilization will be completed with the understanding that increasing use of recommended healthcare such as preventive care, prenatal care, and wellness visits is a desirable outcome and that reducing preventable emergency department visits and inpatient hospitalization are also desirable outcomes.
32	If the Pilots are determined successful at the end of the North Carolina’s 1115 waiver, how will the Department incorporate aspects of the Pilots into the statewide Medicaid program?	The Department will consider incorporating findings from evaluation of the Pilots into the Medicaid program through various means, including changes to State Plan benefits, payment models, including value-based payments, risk adjustment based on social needs, or other methods.