

North Carolina Medicaid Transformation: *Healthy Opportunities in Medicaid Managed Care*

June 27, 2019

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- **North Carolina Medicaid Managed Care Transformation**
- **Deep Dive: Embedding Healthy Opportunities in Medicaid Transformation**
- **More Opportunities for Engagement**
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Medicaid Transformation Vision

“ To improve the health of North Carolinians through an innovative, whole-person centered, and well-coordinated system of care which addresses both medical and non-medical drivers of health. ”

Context for Medicaid Transformation

In 2015, the NC General Assembly enacted Session Law 2015-245, directing the transition of Medicaid and NC Health Choice from predominantly fee-for-service (FFS) to managed care.

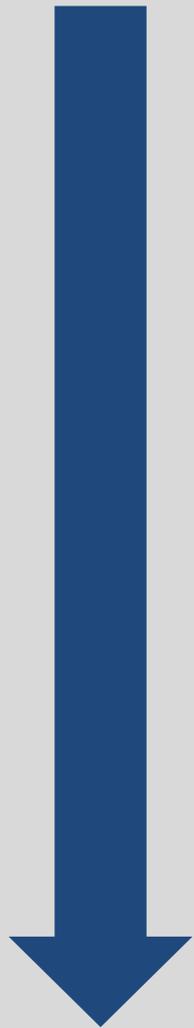
Since then, the North Carolina Department of Health and Human Services (DHHS) has **collaborated extensively** with clinicians, hospitals, beneficiaries, counties, health plans, elected officials, advocates, and other stakeholders to shape the program, and is committed to ensuring Medicaid managed care plans:

- Deliver **whole-person care** through coordinated physical health, behavioral health, intellectual/developmental disability and pharmacy products and care models
- Address the **full set of factors** that impact health, uniting communities and health care systems
- Perform **localized care management** at the site of care, in the home or community
- Maintain broad **provider participation** by mitigating provider administrative burden

Focus for today's webinar



Medicaid Transformation Timeline



Timeline	Milestone
October 2018	1115 waiver approved
February 2019	Standard Plan contracts awarded
June - July 2019	Enrollment Broker (EB) sends Phase 1 enrollment packages; open enrollment begins
Summer 2019	Standard Plans contract with providers and Dept begins to assess network adequacy
November 2019	Managed care Standard Plans launch in selected regions; Phase 2 open enrollment
February 2020	Managed care Standard Plans launch in remaining regions
Tentatively July 2021	Behavioral Health and Intellectual/Developmental Disability (BH I/DD) Tailored Plans Launch

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Why Focus on Healthy Opportunities?

“Healthy Opportunities,” commonly referred to as the social determinants of health, are conditions in the environments in which people are born, live, learn, work, play, worship, and age that affect a wide range of health, functioning, and quality-of-life outcomes and risks.

- Access to high-quality medical care is critical, but research shows up to 80 percent of a person’s health is determined by social and environmental factors and the behaviors that emerge as a result.
- Addressing the factors that directly impact health is a key component of meeting DHHS’s mission to improve the health, safety and well-being of all North Carolinians while being good stewards of resources.

North Carolina’s Healthy Opportunities Priority Domains

Housing



Food



Transportation



Interpersonal
Violence



North Carolina's Strategies to Embed Healthy Opportunities into Statewide Medicaid Managed Care

Promoting "Healthy Opportunities" is a core focus of North Carolina's transformation to Medicaid Managed Care.

Key Healthy Opportunities Initiatives



Care Management



Quality Strategy



Value-Based Payment Strategies



In-Lieu of Services



Voluntary PHP Contributions to Health-Related Resources



Healthy Opportunities Pilots

Addressing Social Needs Through Care Management

The care management model requires PHPs and care managers to take steps to address beneficiaries' unmet resource needs.

Addressing Unmet Resource Needs through Care Management

- The State's care management model drives a focus on addressing beneficiaries' unmet resources needs.
- PHPs identify high-needs individuals (including those with significant social needs) and often delegate the provision of care management to qualified local entities—e.g., Tier 3 Advanced Medical Homes and Local Health Departments
- **Care managers and other members of the care team will play a significant role in addressing the non-medical drivers of health.**

Addressing Social Needs Through Care Management (cont'd)

- **PHPs must identify and provide care management to beneficiaries with “high unmet resource needs.”** PHPs will identify such individuals through a combination of methods, including:
 - Use of State-standardized SDOH screening
 - Analysis of claims, encounters and other available data;
 - Provider, patient and family referral.
- **Care managers will conduct a comprehensive assessment** with identified beneficiaries that addresses physical, behavioral and social areas of need.
- **PHPs are accountable for addressing identified needs**, including by:
 - Providing in-person assistance with select human service applications (e.g., SNAP and WIC);
 - Connecting beneficiaries to needed social resources and allowing for a feedback loop on the outcome
 - Having a housing specialist;
 - Providing access to medical-legal partnerships for legal issues adversely affecting health.

High Unmet Resource Needs

PHPs must define high unmet resource needs to include beneficiaries who are:

- Homeless;
- Experiencing or witnessing domestic violence or lack of personal safety; and;
- Showing unmet needs in three or more SDOH domains

Providers will play a critical role in helping PHPs meet their obligations to address the unmet resource needs of beneficiaries

Care Management Deep Dive: Standardized SDOH Screening

Screening Tool

- PHPs will use DHHS' standardized SDOH screening tool as part of an initial Care Needs Screening to identify individuals eligible for care management due to high unmet resource needs.
- PHPs must ask these standardized SDOH screening questions across the four priority domains every beneficiary within 90 days of enrollment.

Providers are encouraged but not required to use these standardized screening questions as part of their intake processes.

	Yes	No
Food		
1. Within the past 12 months, did you worry that your food would run out before you got money to buy more?		
2. Within the past 12 months, did the food you bought just not last and you didn't have money to get more?		
Housing/ Utilities		
3. Within the past 12 months, have you ever stayed: outside, in a car, in a tent, in an overnight shelter, or temporarily in someone else's home (i.e. couch-surfing)?		
4. Are you worried about losing your housing?		
5. Within the past 12 months, have you been unable to get utilities (heat, electricity) when it was really needed?		
Transportation		
6. Within the past 12 months, has a lack of transportation kept you from medical appointments or from doing things needed for daily living?		
Interpersonal Safety		
7. Do you feel physically or emotionally unsafe where you currently live?		
8. Within the past 12 months, have you been hit, slapped, kicked or otherwise physically hurt by anyone?		
9. Within the past 12 months, have you been humiliated or emotionally abused by anyone?		
Optional: Immediate Need		
10. Are any of your needs urgent? For example, you don't have food for tonight, you don't have a place to sleep tonight, you are afraid you will get hurt if you go home today.		
11. Would you like help with any of the needs that you have identified?		

Care Management Deep Dive: NCCARE360

NCCARE360 is a statewide resource and referral platform that allows key stakeholders to connect individuals with needed community resources.

- **NCCARE360 (NC Resource Platform) is a telephonic, online and interfaced IT platform, providing:**
 - A robust **statewide resource database** of community-based organizations and social service agencies.
 - A **referral platform** that allows health care providers, insurers and human service providers to connect people to resources in their communities. It supports “closed-loop referrals,” giving them the ability to track whether individuals accessed the community-based services to which they were referred.
- **PHPs will, at minimum:**
 - Use NCCARE360 for its community-based organization and social service agency database/directory to identify local, community-based resources and connect members to these resources.
 - Track closed-loop referrals once the functionality is ready for use.

Providers are encouraged but not required to onboard onto and use NCCARE360.

Using the Quality Strategy to Promote Healthy Opportunities

North Carolina's Quality Strategy details how PHPs are held accountable for achieving desired outcomes, including those linked to Healthy Opportunities.

- Addressing unmet resource needs is a critical component of the NC's Quality Strategy and approach to improving population health.
- PHPs will work with communities to improve population health, and promote the aim of healthier people and healthier communities within North Carolina.
- PHPs will report on rates of completed SDOH screenings in Year one of managed care. PHPs may be asked to report on referrals to services to address identified needs in future years.

Incorporating Healthy Opportunities into Value-Based Payment Strategies

VBP Overview

- Value-based payments give providers flexibility to decide how best to use payments, including by paying for health-related social supports that may be more cost-effective than traditional medical care.
- The State's VBP strategy will encourage PHPs and other providers to consider how they can incorporate and promote healthy opportunities into their VBP contracts.

			
CATEGORY 1 FEE FOR SERVICE - NO LINK TO QUALITY & VALUE	CATEGORY 2 FEE FOR SERVICE - LINK TO QUALITY & VALUE	CATEGORY 3 APMS BUILT ON FEE-FOR-SERVICE ARCHITECTURE	CATEGORY 4 POPULATION - BASED PAYMENT
	A Foundational Payments for Infrastructure & Operations (e.g., care coordination fees and payments for HIT investments)	A APMs with Shared Savings (e.g., shared savings with upside risk only)	A Condition-Specific Population-Based Payment (e.g., per member per month payments, payments for specialty services, such as oncology or mental health)
	B Pay for Reporting (e.g., bonuses for reporting data or penalties for not reporting data)	B APMs with Shared Savings and Downside Risk (e.g., episode-based payments for procedures and comprehensive payments with upside and downside risk)	B Comprehensive Population-Based Payment (e.g., global budgets or full/percent of premium payments)
	C Pay-for-Performance (e.g., bonuses for quality performance)		C Integrated Finance & Delivery Systems (e.g., global budgets or full/percent of premium payments in integrated systems)
		3N Risk Based Payments NOT Linked to Quality	4N Capitated Payments NOT Linked to Quality

Leveraging In-Lieu of Services (ILOS) to Promote Healthy Opportunities

PHPs are encouraged to use ILOS to finance services that improve health through connecting members with social resources to address unmet resource needs, and other supports upon receipt of approval from DHHS.

What are ILOS?

PHPs may use ILOS to deliver a service or utilize a setting not covered in North Carolina's State Plan or its managed care contract. The State must determine the service to be both medically appropriate and a cost-effective substitute for a state plan service.

- **Example:** Offering medically tailored meals *in lieu of* a hiring a contracted home health aide

Encouraging Voluntary PHP Contributions to Health-Related Resources

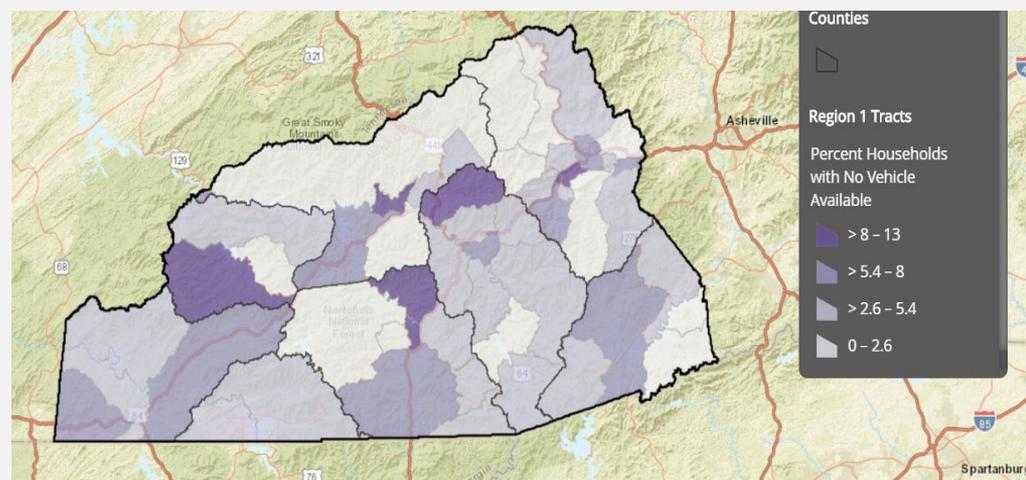
PHPs are encouraged to make contributions to health-related resources that help to address members' and communities' unmet health-related needs.

Contributions to Health-Related Resources

- PHPs are encouraged to contribute to health-related resources that improve health outcomes and cost-effective delivery of care in the communities they serve.
- PHPs that voluntarily contribute to health-related resources may count the contributions in the numerator of their MLR.
- A PHP that voluntarily contributes at least one-tenth percent (0.1%) of its annual capitation revenue in a region to health-related resources may be awarded a **preference in auto-assignment** to promote enrollment in each region in which the PHP contributes.

Providers may wish to give input to PHPs on how to direct their contributions in their communities.

Percent of Households Without Access to a Vehicle in Region 1



The NC “Hot Spot” Map uses geographic information system (GIS) technology to map resource needs and other indicators across the state **and can strategically guide contributions to health-related resources.**

What Are the Healthy Opportunities Pilots?

The federal government authorized up to \$650 million in state and federal Medicaid funding to test evidence-based, non-medical interventions designed to improve health outcomes and reduce healthcare costs for a subset of Medicaid enrollees.

- PHPs in two to four geographic areas of the state will work with their communities to implement the “Healthy Opportunities Pilots,” as approved through North Carolina’s 1115 waiver
- Pilot funds will be used over the five-year demonstration period to:
 - Cover the cost of federally-approved Pilot services
 - 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.*

The Pilots will offer services in the Four Priority Domains

Housing



Food



Transportation



Interpersonal
Violence



Who Qualifies for Pilot Services?

To qualify 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, ages 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

What Services Can Enrollees Receive Through the Pilots?

North Carolina's 1115 waiver specifies services that can be covered by the Pilot.



Housing

- Housing navigation, support and sustaining services
- Housing quality and safety inspections and improvements
- One-time payment for security deposit and first month's rent
- Short-term post hospitalization housing



Food

- Linkages to community-based food resources (e.g., SNAP/WIC application support)
- Nutrition and cooking education
- Fruit and vegetable prescriptions and healthy food boxes/meals
- Medically tailored meal delivery



Transportation

- Linkages to existing transportation resources
- Payment for transportation to support access to pilot services, (e.g., bus passes, taxi vouchers, ride-sharing credits)



Interpersonal Violence (IPV)

- Case management/advocacy for victims of violence
- Evidence-based parenting support programs
- Evidence-based home visiting services

Key Entities' Roles in the Pilots

PHPs

- Manage a Pilot budget
- Approve which of their enrollees qualify for Pilot services and which services they qualify to receive
- Ensure the provision of integrated care management to Pilot enrollees

Care Managers

- Frontline service providers predominantly located at Tier 3 AMHs and LHDs interacting with beneficiaries
- Assess beneficiary eligibility for Pilot, identify recommended pilot services, and manage coordination of pilot services, in addition to managing physical and behavioral health needs
- Track enrollee progress over time

Lead Pilot Entities

- Competitively procured by DHHS
- Develop, manage, pay and oversee a network of HSOs
- Provide support and technical assistance for HSO network
- Convene Pilot entities to share best practices

Human Service Organizations

- Frontline social service providers that contract with the LPE to deliver authorized, cost-effective, evidence based Pilot services to Pilot enrollees
- Participate in the healthcare delivery system, including submitting invoices and receiving reimbursement for services delivered

Care Managers will play a critical role in operationalizing the Pilots. Other providers may be helpful in identifying Medicaid enrollees who may be eligible for the Pilots

Additional Healthy Opportunities Resources and Opportunities for Feedback

Resources

1. **Healthy Opportunities Website:** <https://www.ncdhhs.gov/about/departments/initiatives/healthy-opportunities>
2. **Healthy Opportunities Pilots Policy Paper:** https://files.nc.gov/ncdhhs/documents/Healthy-Opportunities-Pilot_Policy-Paper_2_15_19.pdf
3. **Draft Healthy Opportunities Pilots Service Definitions and supplementary resources:** <https://www.manatt.com/CommonwealthFund/Healthy-Opportunities-Fee-Schedule-Advisory-Panel>

Opportunities to Give Feedback

1. Entities will be permitted to submit feedback on the Pilot Fee Schedule in July 2019
2. Entities interested in serving as the LPE must respond to a forthcoming Request for Proposals

Watch the Healthy Opportunities Website for updates regarding the Pilot Fee Schedule and LPE RFP.

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More Opportunities for Engagement

DHHS values input and feedback and is making sure stakeholders have the opportunity to connect through a number of venues and activities.

Ways to Participate

- Regular webinars, conference calls, meetings, and conferences
- Comments on periodic white papers, FAQs, and other publications
- Regular updates to website:
<https://www.ncdhhs.gov/assistance/medicaid-transformation>
- Comments, questions, and feedback are all very welcome at
Medicaid.Transformation@dhhs.nc.gov

Providers will receive education and support during and after the transition to managed care.



Upcoming Events

Upcoming Managed Care Webinar Topics

- **Overview of LTSS Services In Managed Care (7/11)**
- **Deep Dive: Care Management Requirements for LTSS Populations (7/25)**

Other Upcoming Events

- **Virtual Office Hours (VOH):** Running bi-weekly, as of April 26th
- **Provider/PHP Meet and Greets:** Regularly hosted around the State

Schedule for VOH and Meet & Greets available on the [Provider Transition to Managed Care Website](#)

Look out for more information on upcoming events and webinars distributed regularly through special provider bulletins

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