JOINT APPROPRIATIONS COMMITTEE
ON HEALTH AND HUMAN SERVICES

NC Medicaid Managed Care Update

Secretary Mandy Cohen, M.D.
Department of Health and Human Services

Feb. 28, 2019

Vision for NC Medicaid Managed Care

"Improving the health and well-being of North Carolinians through an innovative, whole-person centered and well-coordinated system of care that addresses both medical and non-medical drivers of health."

Prepaid Health Plans

Create single point of accountability for care and outcomes for Medicaid beneficiaries through two types of Plans

Standard Plans

- Beneficiaries benefit from integrated physical & behavioral health services
- "Primary care" behavioral health spend included in PHP capitation rate
- Phased implementation – Nov. 2019 & Feb. 2020

Tailored Plans

- Specialized managed care plans targeted toward populations with significant BH and I/DD needs
- Access to expanded service array
- Behavioral Health Homes
- Projected for July 2021

PHPs for NC Medicaid Managed Care

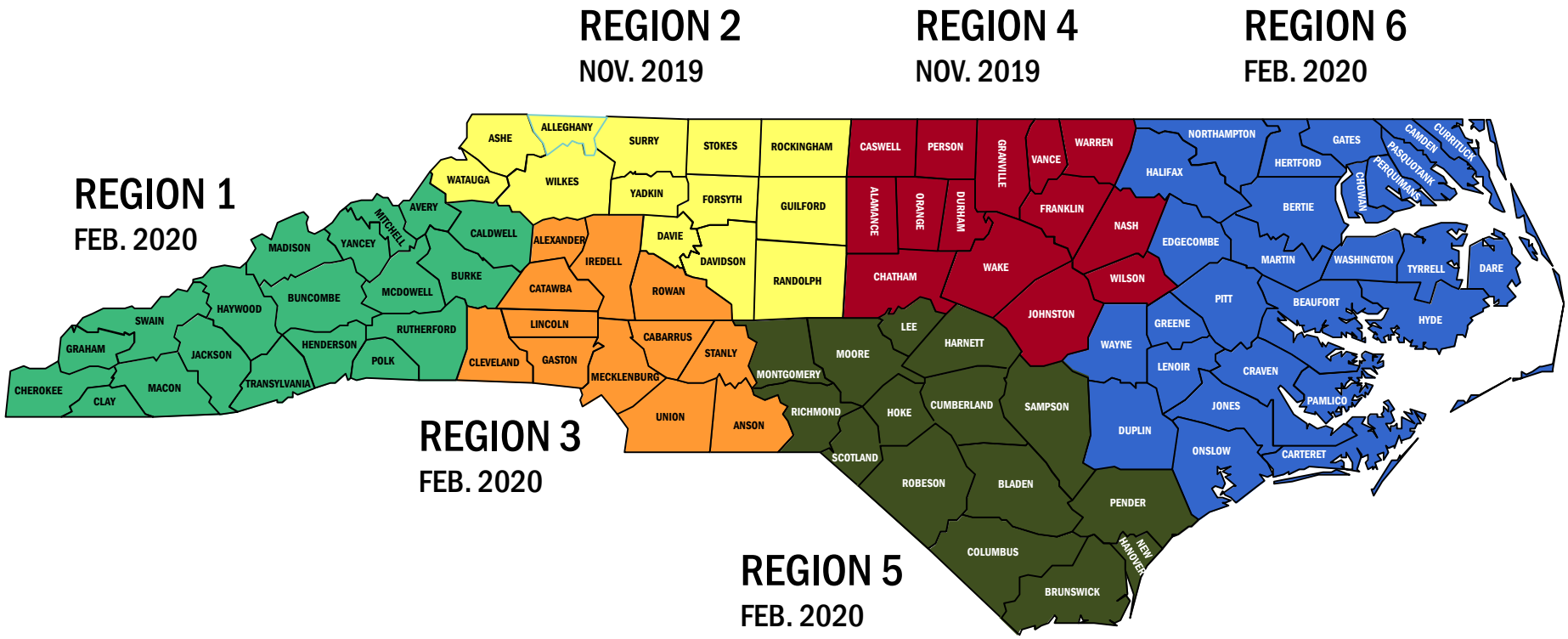
Statewide contracts

- AmeriHealth Caritas North Carolina, Inc.
- Blue Cross and Blue Shield of North Carolina, Inc.
- UnitedHealthcare of North Carolina, Inc.
- WellCare of North Carolina, Inc.

Regional contract – Regions 3 & 5

- Carolina Complete Health, Inc.

Managed Care Regions and Rollout Dates



Rollout Phase 1: Nov. 2019 – Regions 2 and 4

Rollout Phase 2: Feb. 2020 – Regions 1, 3, 5 and 6

With the transition to managed care, DHHS will ensure

- A person with a scheduled appointment will be seen by their provider
- A person's prescription will be filled by the pharmacist
- Calls made to call centers are answered promptly
- Individuals know their chosen or assigned PHP
- Individuals have timely access to information and are directed to the right resource
- A provider enrolled in Medicaid prior to Nov 1, will still be enrolled
- A provider is paid for care delivered to members
- PHPs have sufficient networks to ensure member choice

What beneficiaries can expect

Understanding MC Impacts to Beneficiaries

What's New

1. Beneficiaries will be able to choose their own health care plan
2. Most, but not all, people will be in Medicaid Managed Care
3. An enrollment broker will assist with choice

What's Staying the Same

1. Eligibility rules will stay the same
2. Same health services/treatments/supplies will be covered
3. The beneficiary Medicaid Co-Pays, if any, will stay the same
4. Beneficiaries report changes to local DSS

Beneficiary Experience – Auto Assignment

Beneficiaries who don't choose a health plan will be assigned one automatically, consistent with the following components in this order:

1. Where the beneficiary lives.
2. Whether the beneficiary is a member of a special population (e.g. member of federally recognized tribes or BH I/DD Tailored Plan eligible).
3. If the beneficiary has a historic relationship with a particular PCP/AMH.
4. Plan assignments of other family members.
5. If the beneficiary has a historic relationship with a particular PHP in the previous twelve (12) months (e.g.,"churned" off/into Medicaid Managed Care).

Member Timeline– Phase 1

2019

Feb
- Initial letter sent to beneficiaries in 2 counties
- Address verification letter sent to remaining counties

March
- Flyers posted at DSS
- Address corrections to DSS

April
- 2nd letter to members
- Member Outreach activities

May
- Public Service Announcements
- PHP marketing materials

SOFT LAUNCH

June 3RD
- EB Call Center Open
- Welcome Packets mailed

July

Aug

- Open Enrollment Begins - July 15th

Sept
- Open Enrollment Ends - Sept 13th
- Members auto assigned to PHPs based on algorithm

Oct
- Member ID cards
- Member Handbooks

Day 1 - Regions 2 & 4

Nov 1ST Managed Care Launch- Phase 1

Dec
- Member feedback
- Evaluation of materials, process

Member Timeline– Phase 2

2019

June 3RD
- EB Call Center Open
- Outreach Activities

July
- Flyers posted at DSS
- Address corrections to DSS

Aug
- Letters to members
- Member Outreach activities

SOFT LAUNCH

Sept 2nd Enrollment Welcome Packets

Oct

Nov

Dec
- Open Enrollment Begins- Oct 14th
- Open Enrollment Ends- Dec 13th

2020

Jan
- Member ID cards
- Member Handbooks

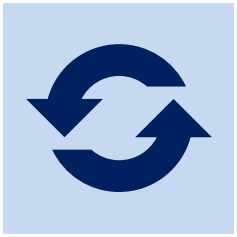
Day 1 - Regions 1, 3, 5 & 6

Feb 1st Managed Care Launch- Phase 2

March
- Member feedback
- Evaluation of materials, process

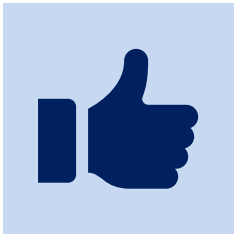
What counties can expect

Managed Care and DSS Workers



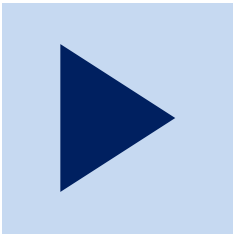
County DSS will CONTINUE:

- Processing Medicaid applications, changes of circumstance, and redeterminations.
- NEMT for FFS Beneficiaries
- Updating PCP for FFS Beneficiaries



County DSS will <u>not</u> be responsible for:

- Choice Counseling
- Enrolling Members in Plans
- NEMT for Managed Care Members (*unless contracted with PHP*)
- Updating PHP/PCP for Managed Care Beneficiaries



County DSS will START:

- Referring beneficiaries to the enrollment broker for PHP counseling & assignments.
- Referring beneficiaries to their Plan for PCP selection or changes

Managed Care Impacts on DSS

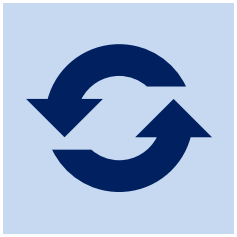
Staff Time

- Increased in-person/walk-in contacts
- Increased telephone calls
- Training time for all staff
- Maintenance of scripts, information, updates
- Participation in outreach events

Operational

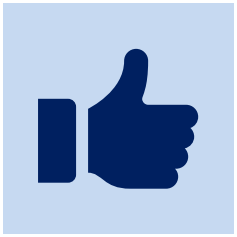
- Non-Emergency Medical Transportation (NEMT) changes
- Potential changes in agency layout/traffic flow
- Potential fiscal impacts re: staff, NEMT vehicles, contracts
- Potential additional phones/interview areas to connect beneficiaries to the EB

County Managers and County Commissioners



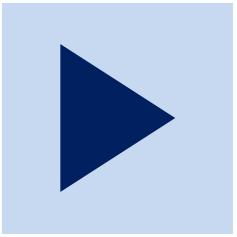
County Leadership:

- DHHS and Associations are engaged in joint planning
- Joint messaging, ongoing meetings
- Specific Training for Commissioners, Finance Officers, Managers



DHHS assist with evaluating financial impacts on:

- NEMT for Managed Care and FFS Members
- County Transportation system impacts
- Staff Time
- Additional Utilization Based Payments



County Involvement in policy recommendations:

- Tailored Plans Design (regions, governance)
- DSS Eligibility Processing
- Public Health Case Management programs

What providers can expect

Provider Experience in Managed Care

Addressing Administrative Burden:

- a centralized and streamlined provider enrollment and credentialing process;
- transparent, timely and fair payments for providers;
- a single statewide drug formulary that all PHPs will be required to utilize;
- same services covered in Medicaid managed care and fee-for-service (with exception of services carved out of Medicaid Managed Care)
- Department's definition of "medical necessity" used by PHPs when making coverage decisions; and
- providers offered some contracting "guardrails", standard PHP contract language

Managed Care Impacts on Providers

Contract/Payment

- Potential contract with multiple PHPs, CINs
- Opportunity to negotiate rates*
- Understanding contract terms, conditions, payment and reimbursement methodologies
- Network adequacy and out of networks standards
- AMH program/tiered payments

Information/Problem Solving

- Build relationships with health plans
- PHP provider assistance line
- Provider appeals procedures specified in PHP provider manual
- DHHS provider ombudsman to assist with problem solving
- Opportunities to provide feedback i.e. AMH TAG

* rate floors apply

Management, Oversight and Accountability

Transition to Managed Care is Complex

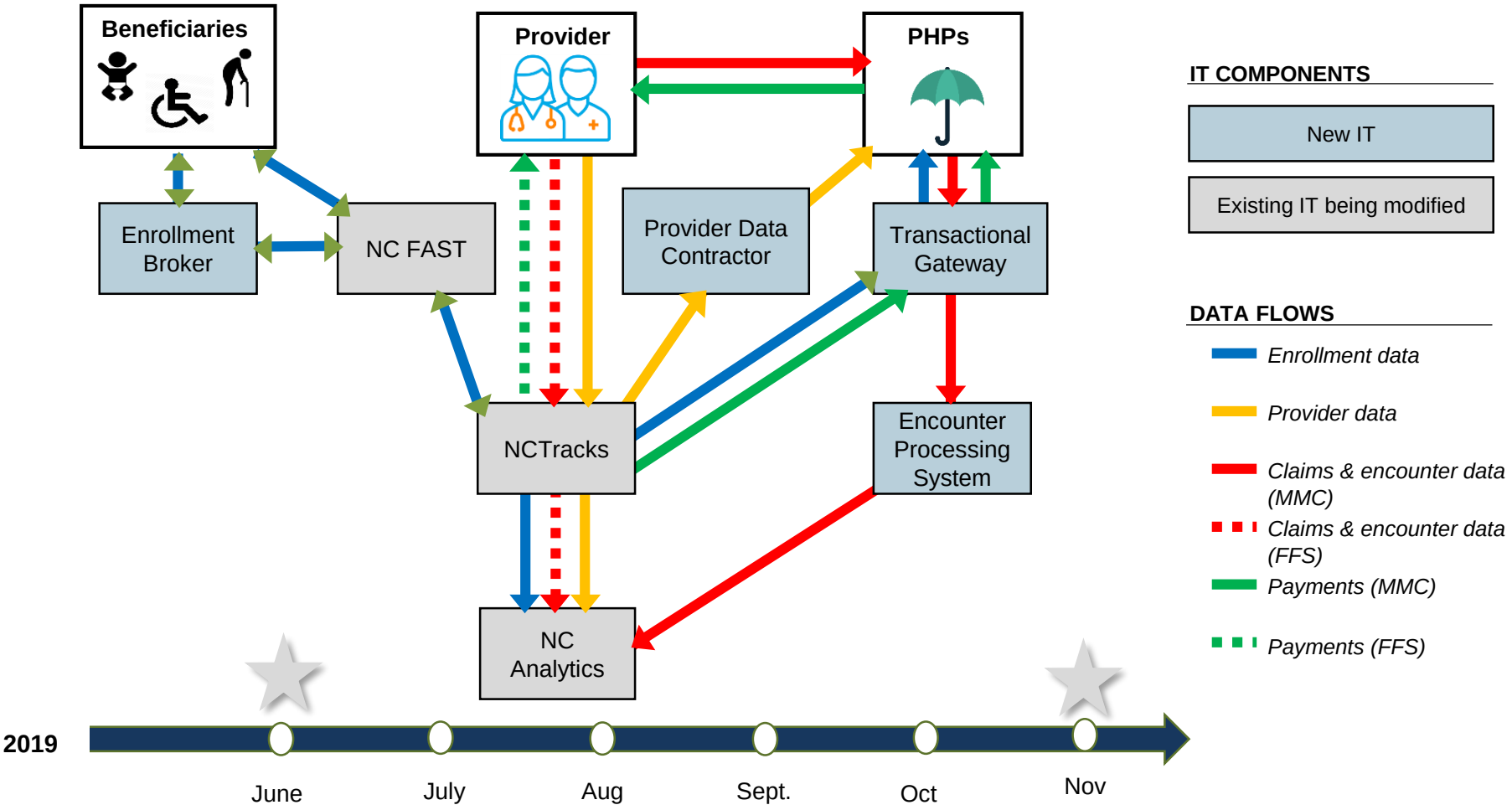
- There are 6 major technology/operational functions necessary in managed care.

Major Functions
1 Enrollment of beneficiaries into PHPs
2 Provider contracting support
3 Financial oversight and operations
4 Data management
5 Operational integration
6 PHP procurement and oversight

- DHHS has a robust strategy, oversight mechanisms and mitigation strategies to support transition from FFS to managed care

- Due to magnitude of effort and level of complexity issues will occur during the transition to managed care

Major Managed Care Systems



Legislative Changes

Suggested Legislative Changes

- Appeals and Technical Changes
- Clarifying Language on Populations and Services
- Assessments and Supplemental Payments
- Premium Taxes paid by Prepaid Health Plans
- GS 122(c) Changes
- Tribal Option

Questions

NC MEDICAID TRANSFORMATION WEBSITE

www.ncdhhs.gov/medicaid-transformation