

# ***1915 b/c Waiver Expansion Update***

**JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON  
HEALTH AND HUMAN SERVICES**

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## ***1915 b/c Waiver Expansion***

- Merger Status
- Roll-Out Dates
- Departmental Waiver Advisory Committee (DWAC)
- Readiness Reviews
- Performance Monitoring
- Monitoring Issues & Contingency Planning
- Transition Issues & Technical Assistance
- LME-MCO & CCNC collaboration

## Status of LME Mergers

<u>LMEs</u>	<u>POPULATION</u>	<u>Merger Date</u>	<u>Start Date as LME-MCO</u>	<u>Pop. With Merger</u>
<b>Partners Behavioral Healthcare</b>				
PATHWAYS	385,583	July 1, 2012	January 1, 2013	906,746
MENTAL HEALTH PARTNERS	249,041	July 1, 2012		
CROSSROADS	272,122	July 1, 2012		
<b>New Name TBD</b>				
EASTPOINTE	294,003	July 1, 2012	January 1, 2013	802,055
BEACON CTR	250,497	July 1, 2012		
SER	257,555	July 1, 2012		
<b>CoastalCare</b>			January 1, 2013	608,215
SOUTHEASTERN CENTER & OCBH	361,084 & 247,131	July 1, 2012		
<b>Alliance Behavioral Healthcare</b>				
DURHAM CENTER	271,696	July 1, 2012	January 1, 2013	1,670,677
CUMBERLAND CO.	324,289	January 1, 2013		
JOHNSTON CO.	173,699	January 1, 2013		
WAKE COUNTY	900,993	July 1, 2012		

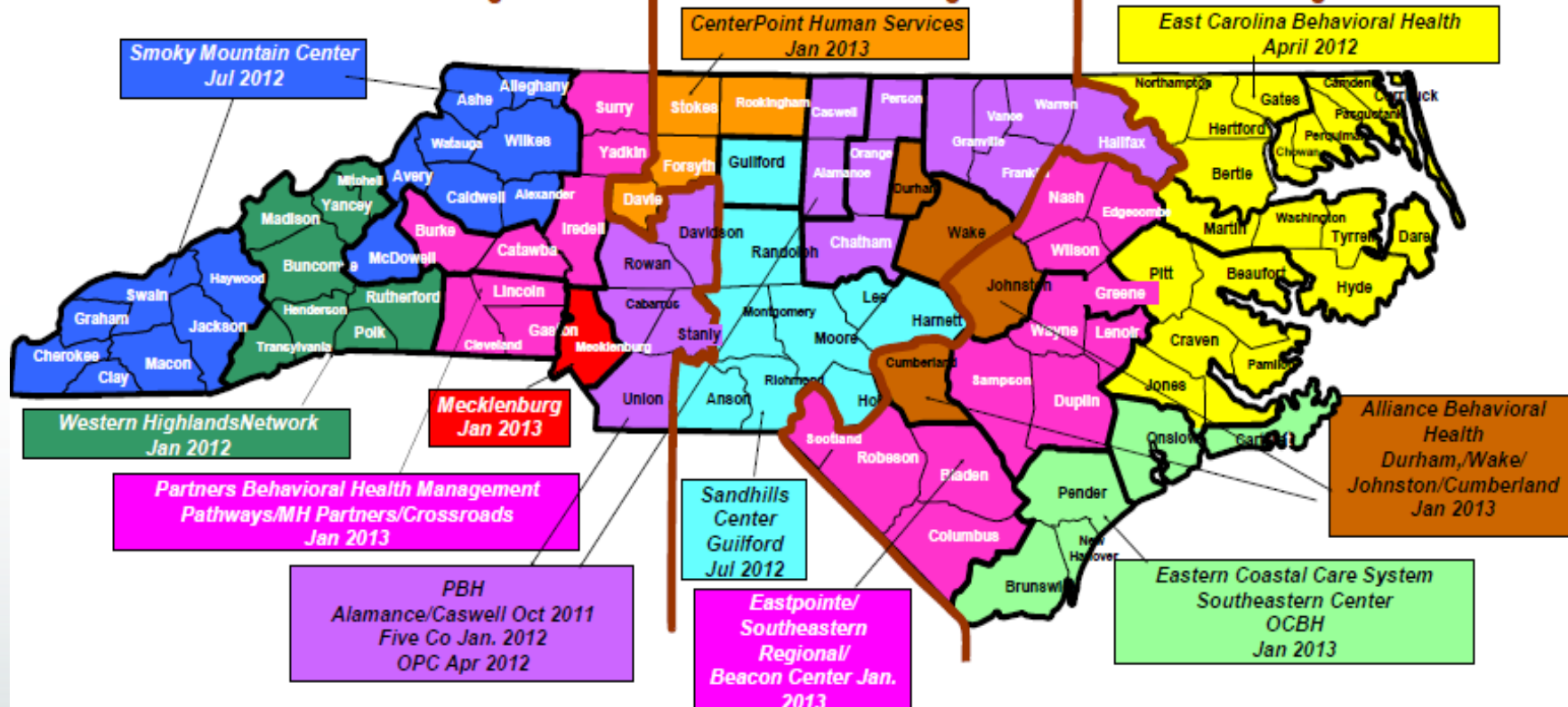
## ***1915 b/c Roll-Out Schedule***

- **Currently operational:**
  - PBH (A-C, 5 County, OPC)
  - Western Highlands Network (WHN)
  - ECBH
- **July 1, 2012**
  - Smoky Mountain Center
- **October 1, 2012**
  - Sandhills Center (Guilford in January 2013)
- **January 1, 2013**
  - Alliance Behavioral Healthcare (The Durham Center, Wake, Cumberland, and Johnston)
  - CenterPoint LME
  - Coastal Care (Southeastern Center, OCBH)
  - Eastpointe (Beacon, SER)
  - Partners Behavioral Health Management (Pathways, Mental Health Partners, Crossroads)
  - Mecklenburg LME

## Western Region

### Central Region

## Eastern Region



## ***LME-MCOs and CCNC***

***(Increase Integral Care)***

- Joint care management of Medicaid patients/consumers
- LME-MCO encounter data goes to DMA to populate CCNC Informatics Database (July 2012)
- Minimum of monthly meetings between the LME-MCO and CCNC network is required per DMA contract
- Joint development of integrated care practices
- GOAL: Holistic care for Medicaid recipients

## ***Departmental Waiver Advisory Committee (DWAC)***

- **The DWAC is an advisory body to DHHS that provides input and consultation over the following:**
  - Implementation / Operational phases of the 1915 b/c Medicaid waivers
  - Ongoing LME-MCO operations (Medicaid managed care, Innovations, and LME operations)
- **Monthly meeting, public, schedule is posted**
- **Minutes, agendas, presentations**
- **Public comment period**
- **<http://www.ncdhhs.gov/dma/lme/MHWaiver.htm>**
- **<http://www.ncdhhs.gov/mhddsas/providers/1915bcwaiver/dwac/index.htm>**

## ***DWAC Membership***

- 3 Providers: 2 local, 1 statewide
- 2 consumers from State and Consumer Family Advisory Committee
- 2 consumers from local Consumer and Family Advisory Committee (CFAC)
- 3 consumers not on state or local CFAC, one from each disability group
- 1 member from External Advisory Committee (EAT)
- 2 members representing the County Commissioners
- 2 members representing the LME-MCOs
- DMA-Director, CCO
- DMHDDSAS—Director, Medical Officer
- DHHS—Deputy Director for Health Services



## ***Readiness Reviews—Mercer Human Services Consulting (120 and 60 day reviews)***

- **Major areas reviewed include:**
  - PIHP organizational structure & staffing
  - Recipient Outreach/Education
  - Care Coordination/Utilization Review (CC/UR)
  - Network operations/provider relations
  - Quality assurance (QA) and quality improvement (QI)
  - Financial management/monitoring
  - Claims administration system development
  - Performance & Financial Reporting

**\*POCs developed, reviewed at monthly monitoring meetings**

## ***Active LME-MCO Monitoring For Early Detection and Correction***

- **Quarterly Performance Dashboards (sample):**
  - Provider Network (per category)
  - Utilization of Services (by category—includes inpatient & ED)
  - Clean Claims Paid
  - Grievance/Appeals Log
  - Program Integrity Audit Log
  - Risk Reserve Analysis
  - IBNR (Claims Lag) Revenues & Expenditures
  - Claims Processing
  - Statement of Financial Position (Balance Sheet)
- **Annual Monitoring includes:**
  - On-site Review
  - Annual Access & Performance Standards reporting (go to CMS)
  - Full Financial Audit
  - External Quality Review (to monitor reporting & contract compliance)

## ***Annual Monitoring MCO Operations & Consumer Outcomes: DMA Contract Performance Measures (PM)***

- Effectiveness of Care
  - Use of Services
  - Access & Availability
  - Consumer & Provider Satisfaction
  - Health Plan Stability (network report)
  - Health & Safety
  - I/DD Consumer Outcomes (Core Indicators)
  - MH/SA Consumer Outcomes (NCTOPPS)
  - Financial Performance reports
- 
- **To Monitor: quarterly CQI committee, annual report to CMS, annual validation of reporting by EQRO (external vendor)**

## ***LME-MCO Monitoring***

- Most problems can be rectified by Plans of Correction (POC)
- Monitoring efforts are intensified as needed
- DHHS and Mercer can provide technical assistance
- **DMA Contract Sanctions:**
  - Immediate Termination (specific financial benchmarks & fraud/illegalities)
  - Interest payments to providers
  - Financial penalties, capitation withhold
  - Plans of correction

## ***Contingency Planning***

- **CONTINGENCY**: If an entire functional area of the LME-MCO cannot perform to standard, the LME-MCO could subcontract the following areas: Call Center, Provider Monitoring, Utilization Management, or Claims Processing
- **CONTINGENCY**: If at any point the contract between the LME-MCO and DMA is terminated:
  - The LME-MCO operations could be awarded to another LME-MCO or to a private managed care vendor
  - DMA has multiple Utilization Review vendors and claims payment vendors to assist with a short-term transition to another LME-MCO.

## ***Transition Issues/Technical Assistance***

### **Provider Network**

- 3 Standardized applications
- Use of clearinghouses (CAQH)
- Encouraging LME-MCOs to subcontract credentialing
- Require detailed reporting on provider capacity from enrollment-to-contracts-to-login billing abilities
- Require report on consumers during enrollment
- Standardized LME-MCO to provider contracts
  - Hospitals, LPs, agencies

## ***Transition Issues/Technical Assistance***

### **CAP MR/DD Waiver to Innovations Waiver**

- Service array is slightly different
- Prescribed a transition process
- Review all details of the LME's transition plan and progress
- Transition all current authorizations
- Loss of Services?
  - Change in array (appeal rights)
  - Targeted Case Management to Care Coordination
  - All providers can enroll in LME-MCO networks as long as they are in 'good standing' with DHHS.

## ***Transition Issues/Technical Assistance***

### **IT/Claims Payment Issues**

- Increased testing at readiness reviews
- DMA tracks compliant logs (at DMA & LME-MCO)
- Current POCs with PBH and WHN
- \*\*Encourage subcontracting of claims payment as necessary



## *Adjusting Phase-In Schedule*

- HB 916 provides a phase-in approach until July 2013.
- Should LMEs moving to MCOs need to adjust their schedule the Department will work with them to ensure a successful transition.
- MCOs are already merging and hiring staff and would experience financial losses with delays.
- Projected savings for FY 2011-2012 and FY 2012-2013 will be impacted.
- Moving forward is based on independent reviews of each LME.

## **Successes**

- LME-MCOs are up and running successfully (authorizations, claims, care coordination, provider networks)
- Strengthening local provider & consumer councils
- Consumers have not lost services.
- New workgroup developed around integrated care practices (have the tools!)
- Better scrutiny on local fraud, waste, abuse
- LME-MCOs have done assessment of children in out-of-home placement; developing plans to increase community treatment
- Care coordination—able to identify service gaps and lack of medical coordination