

**JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON MEDICAID AND NC HEALTH CHOICE**



DHHS Update

**Secretary Mandy Cohen, M.D.
Department of Health and Human Services
March 10, 2020**

Legislative Action Needed

- Managed Care cannot go-live under a Continuing Resolution Budget. A new budget must include:
 - Authority to pay capitation payments and claims run-out
 - Authority to utilize Transformation dollars
 - PHP tax authorization which is already included in the capitation rates
 - Authority for the appropriate Hospital assessments
- Need the RIGHT budget – cannot destabilize the department at this time of major transformation
 - \$42M cut to recurring administrative funding = PEOPLE
 - This cut is unprecedented and there is NO scenario where it will not greatly impact service delivery

Restarting Managed Care Implementation – Highlight of Activities

- Update all stakeholder materials, websites, smart phone apps and technical systems across multiple platforms (Enrollment Broker, health plans, NCTRACKS)
- Formulate capitation rates and submit to CMS for approval
- Redo open enrollment
- Re-review and resubmit to CMS for approval several health plans' contractual policies and procedures deliverables (annual compliance plans, call scripts, member marketing, value added service materials, and clinical coverage policies)
- Upgrade the Consolidated Provider Directory (NC DHHS, Enrollment Broker, health plans)
- Test Primary Care Provider Auto Assignment
- Complete key testing activities to finalize data, analytics, reporting functionality including Transition of Care (NC FAST, Enrollment Broker, NC TRACKS, health plans, LME-MCOs, UM Vendors & CCNC) and Data Warehouse
- Re-review and re-validate Enrollment Broker readiness including call center staff and scripting once rehired
- Re-evaluate internal Division of Health Benefits staff readiness
- Complete provider contracting (health plans and providers)
- Analyze health plan network adequacy to ensure adequate provider networks and processes

Current Situation – as of 3/8/2020 according to World Health Organization

Location	Confirmed Cases	Deaths
Globally	101,927	
China	80,813	3,073
Outside of China (93 counties)	21,110	413
United States	213	11
North Carolina	2*	

*Presumptively positive as reported by NC Department of Health and Human Services

NC Preparation and Response

- Coordinating state efforts through Governor's Novel Coronavirus (COVID-19) Task Force
- Developing response plans and decision triggers that address a range of scenarios and actions
- Identifying and testing people under investigation
- Implementing control measures, including self-monitoring with local public health supervision, isolation and quarantine
- Activated a Joint Information Center and COVID-19 hotline
- Updating COVID-19 website: ncdhhs.gov/coronavirus

Testing

- State lab able to run tests as of March 3
- CDC expanded testing guidelines last week
 - States, including NC have had inadequate testing supplies
 - As March 7, NC had supplies from CDC to test 190 people
- Testing supply needs are being addressed
 - NC DHHS worked directly with supply manufacturer
 - Agreements signed with UNC and Duke
 - LabCorp began testing in March
 - CDC increased the cap for supply orders states could place

Immediate Next Steps

- **Transitioning response operations to the State Emergency Operations Center to expand coordination across the whole of state government**
 - Similar to other states, we are evaluating declaration of emergency to allow for flexibility in resource allocation and additional authorities to aid in response preparation and execution
- **Ordering additional equipment for state lab to increase number of tests that can be run at same time**
 - State lab is first responder in identifying new outbreaks, initiating containment strategies, and supporting underserved populations
- **Evaluating overall budget needs to adequately respond**
 - Federal supplement approved last week

Immediate Next Steps – Medicaid Policy

- Allow Medicaid providers to bill for defined telephonic services
- Update pharmacy policies to allow orders for 90-day generic and brand; remove refill limits; eliminate 30-day requirement to qualify for 90-day supply
- Allow reimbursement for masks for ill patients requiring frequent transportation/public presence (i.e. dialysis)
- Eliminate Prior Authorizations for oxygen equipment and related supplies (including CPAP, respiratory assist devices, ventilator)
- Reinforce copay not required at time of office visit
- Encourage providers to use home visits for vulnerable populations and group living
- Finalize first responders ability to treat with no transport 911 calls; study impact of developing reimbursement for paramedics/caramedics to evaluate and treat in the home

Strategies Will Evolve

While we continue to practice containment, mitigation preparation is underway. Strategies do not occur in isolation.

Containment	Mitigation
<ul style="list-style-type: none">• Individual level• Provider guidance on risk assessment• Monitor specific individuals for symptoms• Isolation, quarantine, contact tracing procedures• Might not prevent spread of disease, but delays spread providing valuable time to prepare	<ul style="list-style-type: none">• Community level• Provide guidance on personal, environmental, and community measures to limit spread of illness• Actions to increase social distancing, protect high risk people,• Can blunt the intensity of epidemic so resources

Leading with Compassion and Reason

- North Carolina has been preparing diligently well before we had our first case
- As testing is expanded, the number of confirmed positives will increase
- Rely on facts and not fear. Get accurate information
 - www.ncdhhs.gov/coronavirus
- Blame, stigma, and harassment should not be tolerated