

JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON MEDICAID

NC Department of Health and Human Services

Medicaid Transformation Update

Jay Ludlam
Deputy Secretary, Medicaid

April 2, 2024

NC Medicaid Transformation



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

Tailored Plan Readiness

Can they meet contractual deliverables and operationalize the Program?

- Review contractual deliverables like operating plan, marketing materials, clinical coverage policies, and annual compliance plans
- Review ability and capacity to operationalize the Managed Care design

Do they have strong provider network coverage in their regions?

- Monitoring Hospital, Advanced Medical Homes/PCP, OB/GYN, NEMT and Behavioral Health
- No more than 10% of members will be disrupted from their historical PCP

Do they have the technology to support operations?

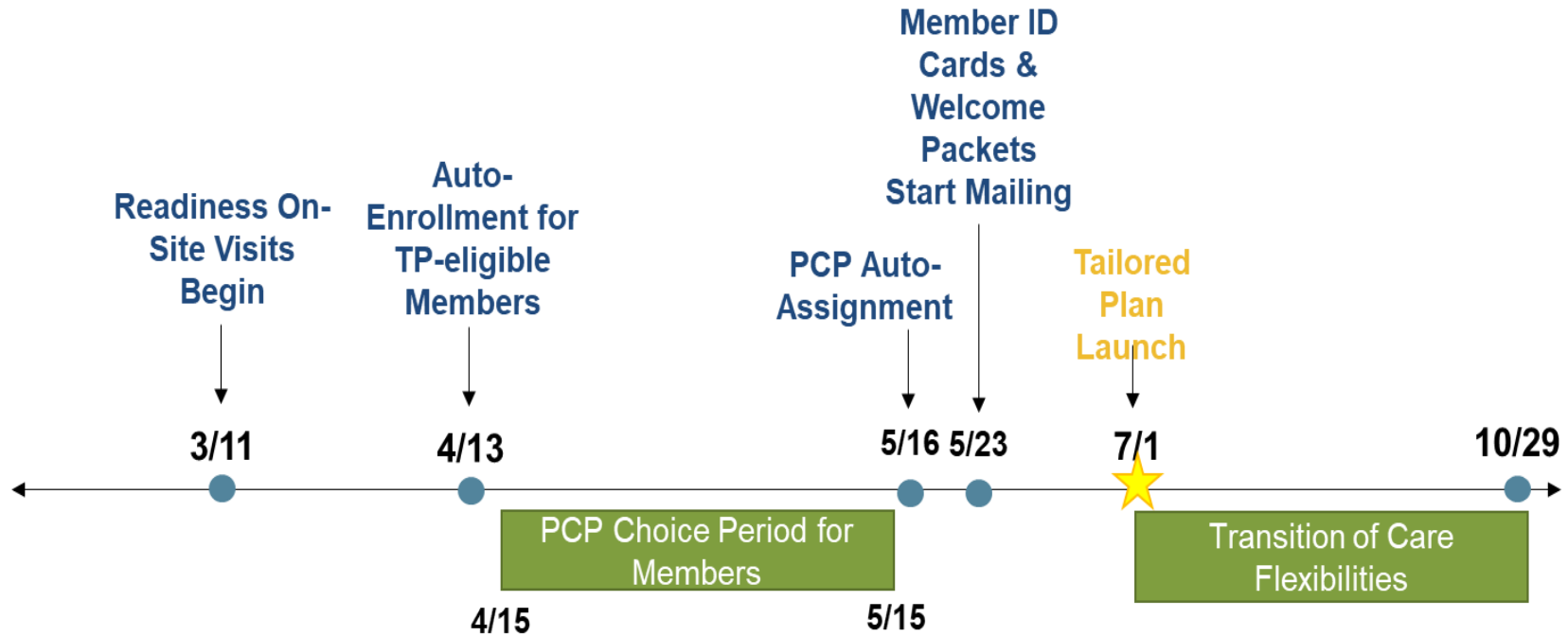
- Monitoring successful execution of testing scenarios, including % complete v planned, defects and speed of resolution
- Monitoring late file submissions, issues affecting operations, and/or technology related problems

Getting Ready for July 1 Go Live as of March 22

	Experience	Alliance	Partners	Trillium	Vaya
MEMBER EXPERIENCE	TP Enrollment (as of 3/6/2024)	~50,000 members	~39,000 members	~69,000 members	~35,000 members
	PCP Choice, Assignment & Mailings	<ul style="list-style-type: none"> 95% of Members will be able to retain their historical PCP 	<ul style="list-style-type: none"> 94% of Members will be able to retain their historical PCP 	<ul style="list-style-type: none"> 91% of Members will be able to retain their historical PCP 	<ul style="list-style-type: none"> 91% of Members will be able to retain their historical PCP
	NEMT Service Line and NEMT Outreach	<ul style="list-style-type: none"> Expecting mild Member abrasion when trying to schedule NEMT appointments as part of Transition due to lack of contracted and credentialed providers 	<ul style="list-style-type: none"> Expecting no issues and that Members can schedule NEMT appointments within reasonable time 	<ul style="list-style-type: none"> Expecting mild Member abrasion when trying to schedule NEMT appointments as part of Transition due to lack of contracted and credentialed providers 	<ul style="list-style-type: none"> Expecting mild Member abrasion when trying to schedule NEMT appointments as part of Transition due to lack of contracted and credentialed providers
PROVIDER EXPERIENCE	PCP Panel Management	<ul style="list-style-type: none"> Primary Care Providers will see new members being assigned to them, as ≈2500 members are not able to keep their historical PCP. 	<ul style="list-style-type: none"> Primary Care Providers will see new members being assigned to them, as ≈2300 members are not able to keep their historical PCP. 	<ul style="list-style-type: none"> Primary Care Providers will see new members being assigned to them, as ≈6100 members are not able to keep their historical PCP. 	<ul style="list-style-type: none"> Primary Care Providers will see new members being assigned to them, as ≈3100 members are not able to keep their historical PCP.
	Provider Payments and Authorizations	<ul style="list-style-type: none"> Expecting no significant issues; Starting Phase 4 testing. 	<ul style="list-style-type: none"> Expecting mild provider abrasion; Providers will have to split BH and PH claims to submit separately. Starting Phase 4 testing. 	<ul style="list-style-type: none"> Expecting mild provider abrasion; Providers will have to split BH and PH claims to submit separately. Starting Phase 4 testing. 	<ul style="list-style-type: none"> Expecting no significant issues; Starting Phase 4 testing.
	Pharmacy POS	<ul style="list-style-type: none"> Expecting no issues in Pharmacy POS claims adjudication; Pharmacies will likely get paid on time to dispense medication for Members based on POS Readiness sessions. 	<ul style="list-style-type: none"> Expecting no issues in Pharmacy POS claims adjudication; Pharmacies will likely get paid on time to dispense medication for Members based on POS Readiness sessions. 	<ul style="list-style-type: none"> Expecting no issues in Pharmacy POS claims adjudication; Pharmacies will likely get paid on time to dispense medication for Members based on POS Readiness sessions. 	<ul style="list-style-type: none"> Expecting no issues in Pharmacy POS claims adjudication; Pharmacies will likely get paid on time to dispense medication for Members based on POS Readiness sessions.

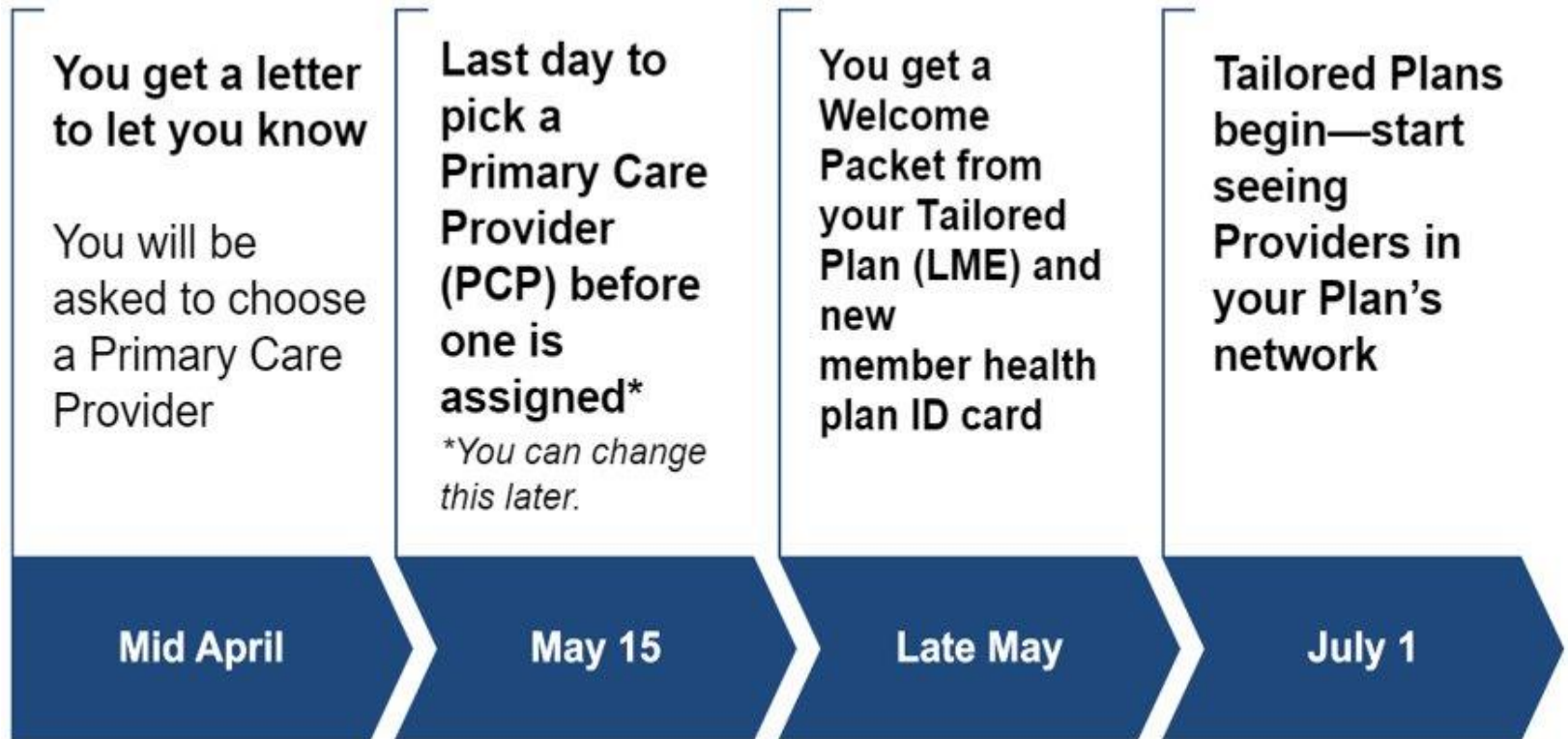
Risk Rating Key: ■ No Risk for Go-Live ■ Mild Risk for Go-Live ■ Moderate Risk for Go-Live ■ Significant Risk for Go-Live

Tailored Plan Implementation Key Activities Timeline



Getting Ready for July 1 Go Live

Communicating to Beneficiaries



On July 1 – Member Choices for Tailored Plan-eligible beneficiaries

Standard Plan

Basic health care option

Basic coverage for physical and behavioral health services, including

- ✓ Doctor visits
- ✓ Family planning
- ✓ Prescription drugs
- ✓ Vision services
- ✓ And more

Tailored Plan

Enhanced health care option

Everything in a Standard Plan, plus

- ✓ Services for severe mental health and substance abuse needs
- ✓ Special services for I/DD and TBI needs
- ✓ Services to support your well-being (safe housing, food, transportation)
- ✓ Tailored Care Management

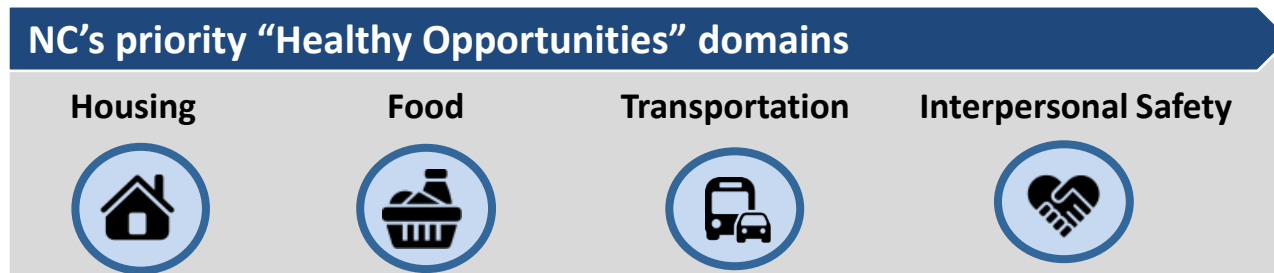
On July 1 – Provider and Member Flexibilities

The Department and Tailored Plans will offer the flexibilities to support providers to reduce administrative burden during the transition.

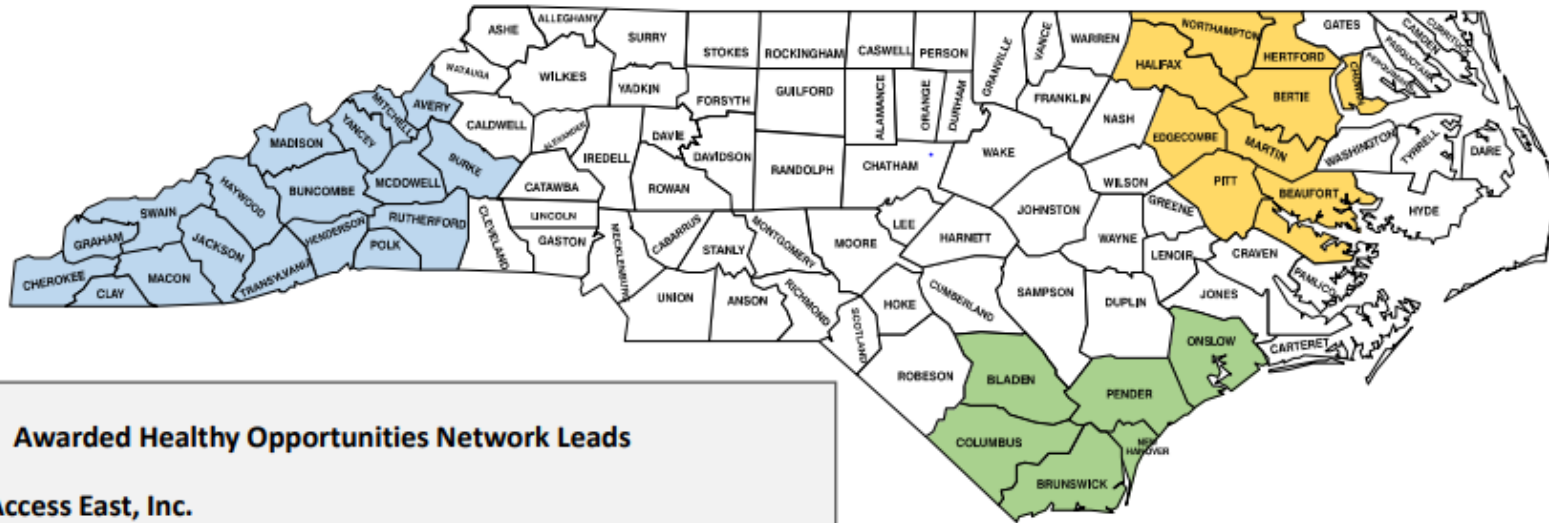
Policy Level	Duration
Relax Medical Prior Authorization requirements	7/1/2024 – 9/30/2024
Relax Pharmacy Prior Authorization requirements	7/1/2024 – 9/30/2024
Non-Health Plan Participating Providers Paid at Participating Provider Rates	7/1/2024 – 9/30/2024
Non-Health Plan Participating Providers Follow Participating Provider In-Prior Authorization Rules	10/1/2024 – 1/31/2025
Members have Ability to Switch PCP	7/1/2024 – 1/31/2025

What are the Healthy Opportunities Pilots?

- **Healthy Opportunities Pilots (HOP):**
 - Provide evidence-based, non-medical interventions to address social needs
 - Provide collaboration model for the State, managed care organizations, healthcare systems, and community-based organizations to provide social needs services
- **This work is important:**
 - Research shows up to 80% of a person's health is determined by social and environmental factors and behaviors



Health Opportunities Pilot Regions



Awarded Healthy Opportunities Network Leads

- Access East, Inc.**
 Beaufort, Bertie, Chowan, Edgecombe, Halifax, Hertford, Martin, Northampton, Pitt
- Community Care of the Lower Cape Fear**
 Bladen, Brunswick, Columbus, New Hanover, Onslow, Pender
- Impact Health**
 Avery, Buncombe, Burke, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Yancey

Pilot Timeline and Key Dates

- HOP services launched on March 15th, 2022 with a phased rollout to each region
- Early findings from preliminary evaluation period are from March 2022 – November 2023
- Implementing HOP Services for Medicaid Direct populations eligible for Tailored Care management in May 2024
- DHHS requested 1115 waiver renew in October 2023, which included the request to allow expansion of services statewide

How People Access HOP Services

Identifying Potentially Eligible Beneficiaries



Self, Family, or
Friend



Human Service
Organizations



Health Plans



Direct to consumer
engagement

Care Managers Screen for Needs &
Submit for Service Authorization

Network Leads Review and Plans
Authorize Services

Investments Since Program Initiation

- Approximately **\$41.3M state dollars invested locally** in over 140 Human Service Organizations (HSOs)
 - HOP SERVICES: **285,620 invoices worth approximately \$16.5M state share** paid to Human Service Organizations to deliver critical services to members
 - INFRASTRUCTURE INVESTMENTS: Approximately **\$24.8M state share for local community organizations** to build readiness and increase access
- PROGRAM OPERATIONS totals **\$10.8M state dollars**
 - **\$7.4M state share in program development and startup funding** across Network Leads and Standard Plans, to create the referral, eligibility screening, and payment processes for these services
 - **\$3.5M state share in care management fees to local organizations and networks**, who refer members into HOP services

Early Findings

- **HOP participation results in:**
 - **Significantly lower health care expenditures** with \$85 less per beneficiary per month, including HOP service delivery spending
 - **Decreased emergency department utilization** & avoided 6 ED visits per 1000 months a beneficiary is enrolled in Medicaid
 - **Reduced risk** of food insecurity, housing instability, and lack of access to transportation
- **HOP Engagement as of November 30, 2023**
 - **50,585 beneficiaries (9.1% of total population)** in Pilot Regions screened for qualifying needs
 - **13,271 unique individuals** enrolled
 - **198,291 services** delivered
 - **88%** of HOP Members with an unmet need **received at least one HOP service**