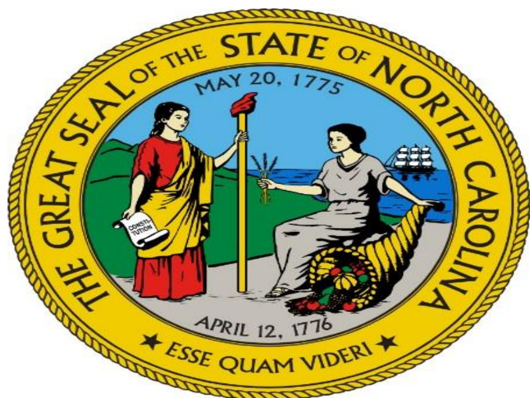

NC Department of Health and Human Services

Healthy Opportunity Pilots

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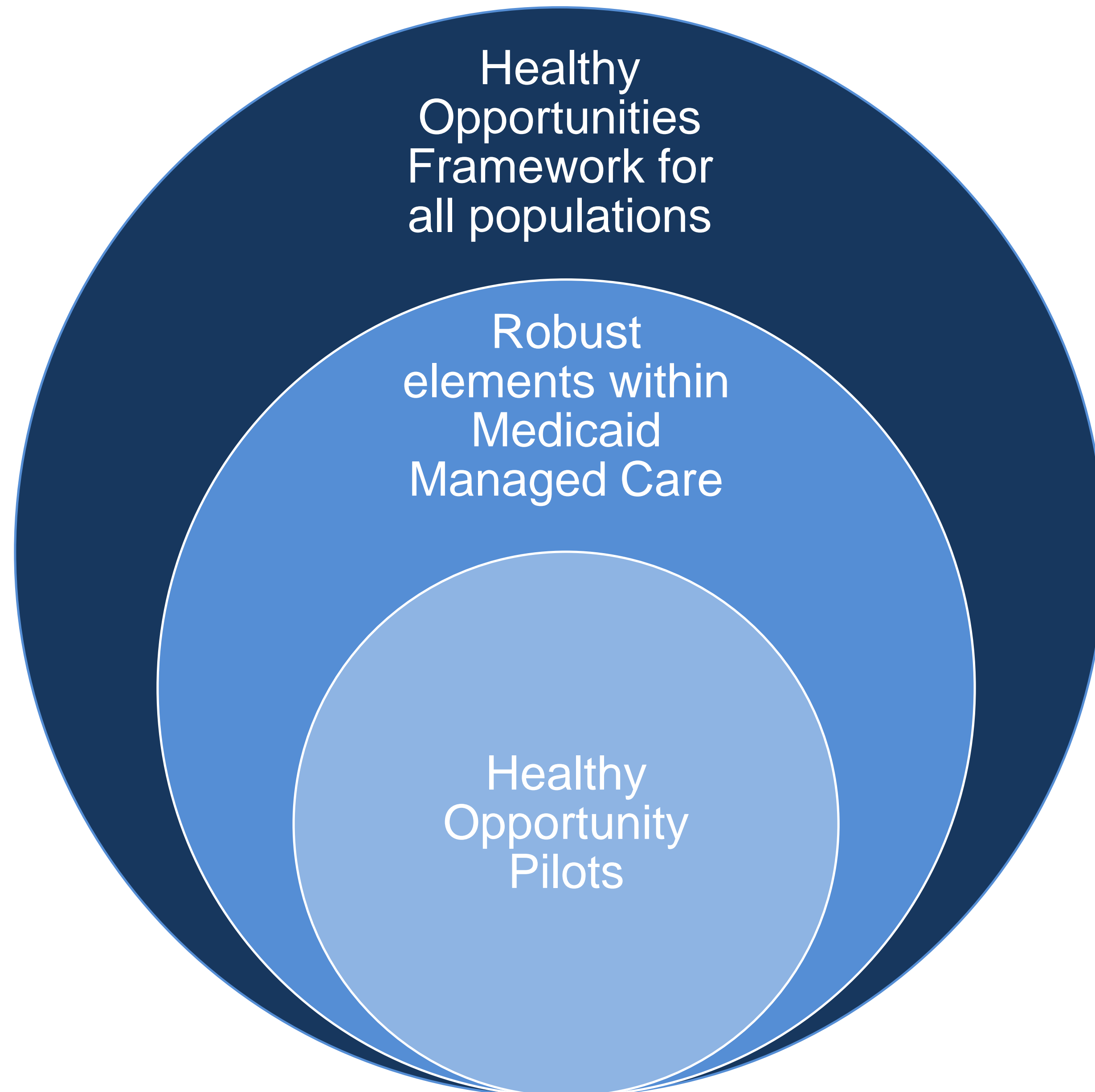
State Health Director/Chief Medical Officer

September 4, 2019

Healthy Opportunities Landscape



https://www.ncdhhs.gov/about/department-initiatives/healthy-opportunities

Infrastructure and Elements across all populations

Hot Spot Map	• GIS map of social determinants of health indicators at census tract level
Screening	• Statewide Standardized Screening Questions
NCCARE360	• Statewide coordinated network with shared technology platform
Workforce Development	• Community Health Workers, Permanent Supportive Housing
Back@Home	• Rapid Rehousing for Victims of Hurricane Florence
Aligning Enrollment	• Coordinating enrollment across programs e.g., Medicaid, WIC, SNAP

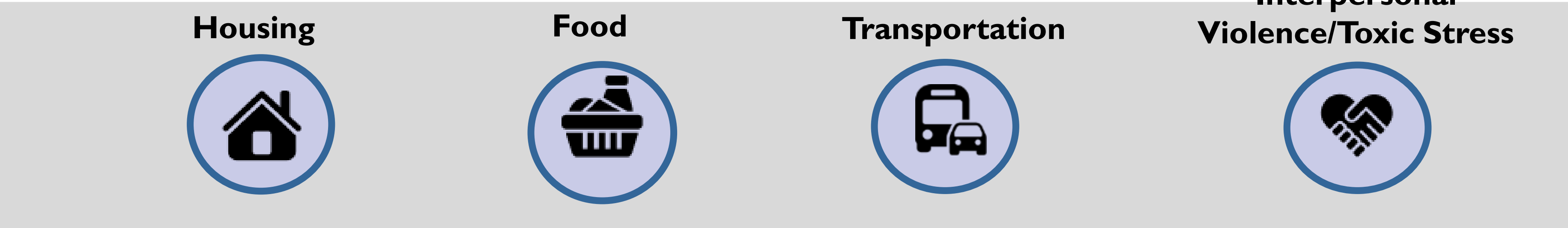
What Are the Healthy Opportunities Pilots?

The federal government authorized the flexibility to use up to $650 million in state and federal Medicaid funding to TEST the impact of select non-medical interventions designed to improve health outcomes and reduce healthcare costs for a subset of high medical and social risk Medicaid Managed Care enrollees.

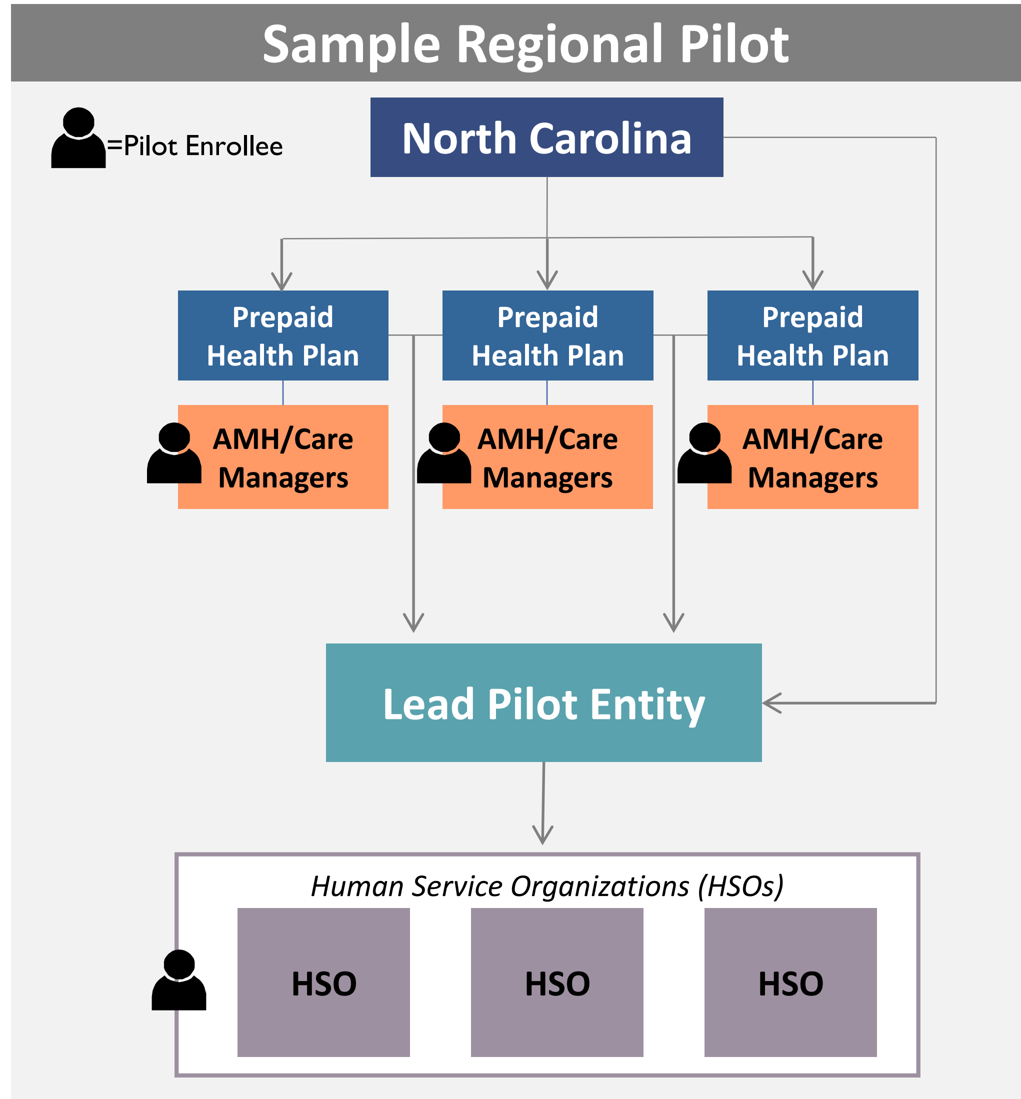
Pilot funds will be used to:

- 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 through building partnerships.*
- Cover the cost of federally-approved Pilot services
  - *DHHS is developing a fee schedule to reimburse entities that deliver non-clinical services in NC's priority domains*

NC's priority "Healthy Opportunities" domains



What Entities Are Involved in the Pilots?



Pilot Entities: Overview

- Key pilot entities include:
  - Healthy Opportunities Pilot Enrollees
  - North Carolina DHHS
  - Prepaid Health Plans (PHPs)
  - Care Managers (*predominantly located at Tier 3 AMHs and LHDs*)
  - Lead Pilot Entities (LPEs)
  - Human Service Organizations (HSOs)

Overview of Eligibility For Pilot Services

To be eligible 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 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

**See appendix for full list of eligibility criteria.*

Market Research for Refined Service Definitions and Fee Schedule	Rate setting inputs
Consultation with other states	Labor: Wages, employee-related expenses
Request for Information Feb 2019	Staffing Ratios: Case Loads
Manatt/Commonwealth Fund Expert Advisory Panel	Non-billable personnel time: e.g., training, documentation)
Focus Groups	Transportation: Time and mileage for service providers
Expert Interviews and NC DHHS Consultations	Program supplies
Existing Data sources on cost inputs (e.g. Labor Bureau)	Indirect costs: Administrative staff costs and overhead
Benchmark analysis for similar services	
Public Feedback on Revised definitions and fee structure methodology July 2019	

Proposed Services

Food	Housing	Transportation	Interpersonal Violence /Toxic Stress	Cross-Domain
Food and Nutrition Access Case Management Services	Housing Navigation, Support and Sustaining Services	Reimbursement for Health-Related Public Transportation	IPV Case Management Services	Holistic High Intensity Enhanced Case Management
Evidence-Based Group Nutrition Class	Inspection for Housing Safety and Quality	Reimbursement for Health-Related Private Transportation	Violence Intervention Services	Medical Respite
Diabetes Prevention Program	Housing Move-In Support	Transportation PMPM Add-On for Case Management Services	Evidence-Based Parenting Curriculum	Linkages to Health-Related Legal Supports
Fruit and Vegetable Prescription	Essential Utility Set-Up		Home Visiting Services	
Healthy Food Box (For Pick-Up)	Home Remediation Services			
Healthy Food Box (Delivered)	Home Accessibility Modifications			
Healthy Meal (For Pick-Up)	Healthy Home Goods			
Healthy Meal (Home Delivered)	One-Time Payment for Security Deposit and First Month's Rent			
Medically Tailored Home Delivered Meal	Short-Term Post Hospitalization Housing			

Fee-Schedule/Value-Based Payments

- Initial Fee schedule to include Fee-for-service, Cost-based reimbursement, Bundled payments/PMPMs
- Evolution of future fee-schedules to include less fee for service/more bundles as we gather more data
- Overlying advancing value-based payment

Year 1	Year 2	Year 3	Year 4	Year 5
Incentive payments for successful implementation	Incentive payments for delivering pilot services	Withhold payments to ensure enrollees unmet resource needs are met	Withhold payments linked to health outcomes	Shared savings payments*

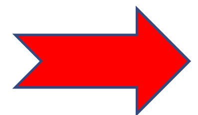
*Costs savings based on subset of pilot enrollees whose services are likely to result in decreased medical expenses in the short-term. Assures pilot entities are not penalized for approving effective, evidence-based upstream interventions that result in a financial return on investment over the longer-term

Evaluation - Rapid cycle/Summative

- Main goal of pilots is to establish and evaluate a systematic approach to integrating and financing evidence-based, non-medical services into the delivery of healthcare.
- UNC Sheps Center
- Rapid cycle assessments
  - Evaluation throughout pilots to learn in real time and make adjustments
  - Evolving metrics - Operational readiness, service delivery, resource needs met, self-reported quality of life, health outcomes, utilization, cost
- Summative evaluation
  - Health, utilization, and cost savings overall and by sub-groups
  - Determine cost-neutrality and cost-effectiveness of interventions by sub-group
  - Implementation science
  - Learn how to scale interventions that worked into Medicaid statewide

Process/Time Line

- Oct 2018: Approved as part of 1115 Demonstration Waiver Approval
- Feb 2019: White Paper on Pilot Design/Request for Information on service definitions and cost elements
- Spring 2019: Multiple forums for further input and market research
- July 2019
  - Further guidance on Lead Pilot Entity (LPE)/Non-binding Statement of Interest (17)
  - Refined Pilot Service Definitions, Methodology for fee schedule for public comment
- August 2019: CMS Approved Evaluation Plan – Rapid Cycle and Summative
- September 1: Revised Service Definitions and Fee schedule submitted to CMS



- Fall 2019: Request for Proposals (RFP) to determine LPEs/Pilot Regions
- Early 2020: Award LPEs/Pilot Regions
- Most of 2020: Capacity building for LPEs and regions
- Early 2021- October 2024: Service Delivery