



# Medicaid Transformation and Healthy Opportunities

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**Secretary**

**NC Dept of Health and Human Services**

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# We focus on “buying health” across our Department

Medicaid Transformation

Early Childhood Health and Education

Combatting the Opioid Crisis



## **North Carolina's Vision for Medicaid Managed Care**

**“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.”**

# Moving to Managed Care

- **1.6 of 2.2 million Medicaid beneficiaries will move to Standard Plans**
- **4 Prepaid Health Plans (PHPs) and 1 Provider Led Entity**
  - AmeriHealth Caritas, Healthy Blue, United Health Care, WellCare, Carolina Complete Health (Regions 3,5)
- **Beneficiaries with more severe mental illness, I/DD and TBI will move to Tailored Plans in 2021**
- **Some people will stay in fee-for-service= NC Medicaid Direct.**

# Medicaid Transformation Milestones

Milestone	Regions 2, 4	Regions 1, 3, 5, 6
Enrollment Packets Mailed	6/28/2019	10/1/2019
Open Enrollment Begins	7/15/2019	10/14/2019
Open Enrollment Ends	12/13/19	
Auto-Assignment	12/16/19	
Managed Care Launches	2/1/2020	

\*Dates are approximate and subject to change.

# Major Activities

## Fall:

- Beneficiary enrollment until Dec 13th
- Network contracting
- Operational and IT testing

## Winter:

- Auto-assignment after Dec 16th
- Readiness Reviews - network, operations, IT
- Feb 1 – full state launch

# **DHHS' Priorities for Day 1 of Managed Care**

- **A person with a scheduled appointment is seen by provider**
- **A person's prescription is filled by the pharmacist**
- **A provider enrolled in Medicaid prior to go-live, is still enrolled**
- **A provider is paid for care delivered to members**

# Unique Features of NC Medicaid Managed Care

- **Promoting high quality, practice-based care management**
  - Advanced Medical Home program
- **Paying for value – rewarding outcomes**
  - Aligned quality measures across all PHPs
  - Value-Based Payment goals
- **Focusing on the whole person**
  - Behavioral Health Integration
  - Use of NCCARE360; new Health Opportunities pilot



# Advanced Medical Homes

- **Primary vehicle for delivery of local care management under managed care**
- **Goal: provide a pathway for practices to have a larger role in managing the health outcomes and cost for their patient populations**
- **Guiding principles**
  1. Preserve broad access to primary care services for enrollees
  2. Strengthen the role of primary care in care management, care coordination, and quality improvement
  3. Minimize administrative burden
  4. Provide clear incentives for practices to become more focused on cost and quality outcomes, increasing accountability over time

# Advanced Medical Homes

## Tiers 1 and 2

- PHP retains primary responsibility for care management
- Practice requirements are the same as for Carolina ACCESS
- **Practices will need to interface with multiple PHPs**, which may employ different approaches to care management

## Tier 3

- PHP delegates primary responsibility for care management to the AMH
- Practice must meet all Tier 1 and 2 requirements, plus additional Tier 3 care management responsibilities
- Practices will have the option to **provide care management in-house or through a single CIN/other partner** across all Tier 3 PHP contracts

*PHPs must **attempt to contract with all certified Tier 3 AMHs** and must **demonstrate a contract with at least 80% of certified Tier 3 AMHs** in each of the PHP's regions.*

*AMHs may choose to work with Clinically Integrated Networks (CINs) or other partners to assist in the fulfilment of AMH practice requirements.*

# Advanced Medical Homes

- **DHHS has invested heavily in AMHs and care management**
- **Expectations are high:**
  - **Penetration rates are much higher (22% vs current 10%)**
  - **Location of care is highly community-based**
  - **Need to address the continuum of care needs from rising risk to high risk and unmet social needs**
  - **Drive improvement in population level outcomes**

# Promoting Quality, Value, and Population Health

- **Unified Quality Strategy**

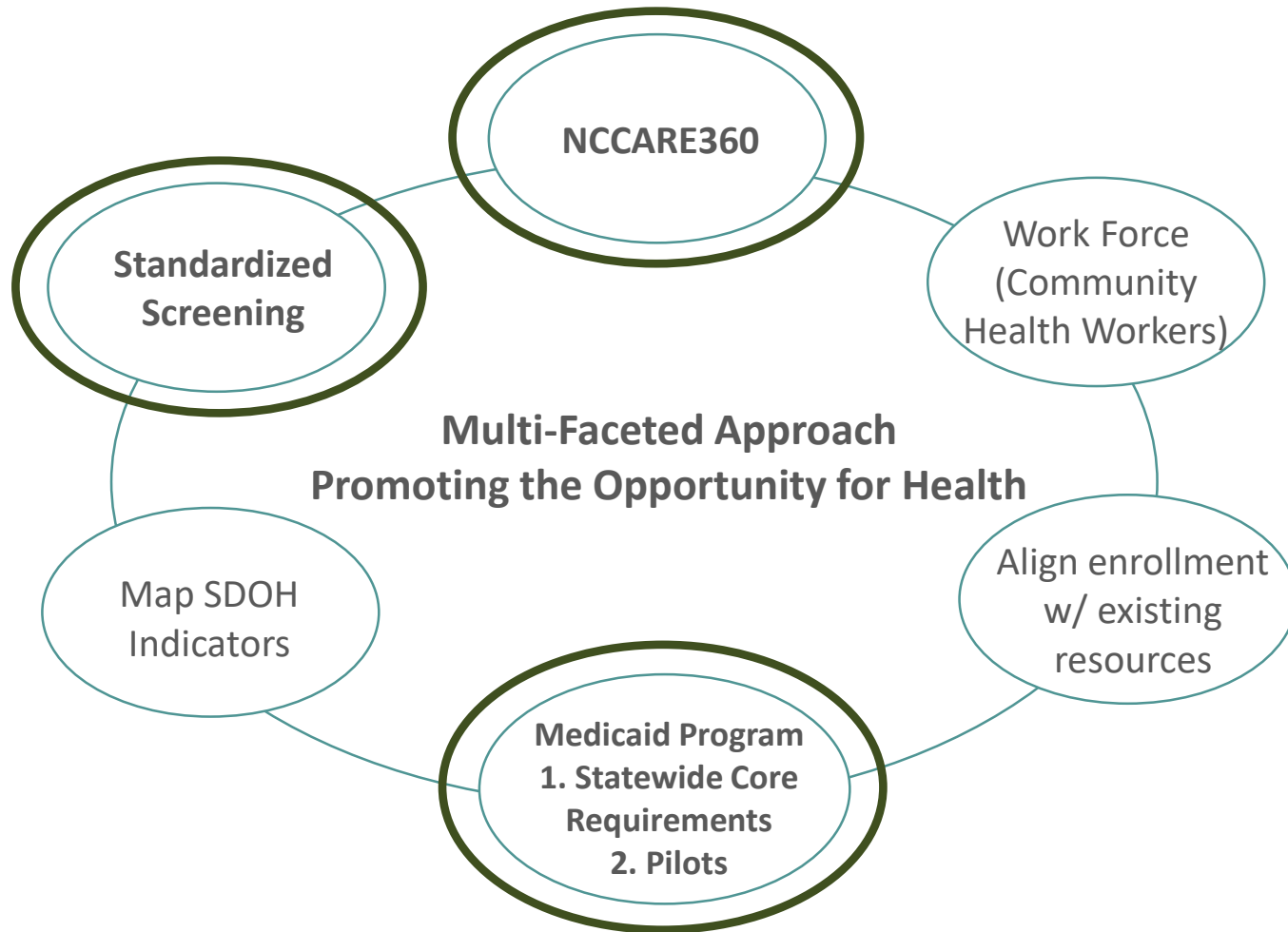
- Aligned metrics across all PHPs; focus on total cost of care

- **Hospital Supplemental Payments changes**

- **Value-Based Payments**

- By end of Year 2, PHPs' expenditures governed under VBP arrangements must:
  - Increase by 20 percentage points, OR
  - Represent at least 50% of total medical expenditures
- State's expectations will increase over time
- AMH program represents an opportunity for providers to fund population health investments critical to a VBP environment
- Alignment with Medicare and commercial payers

# Healthy Opportunities: Part of a Broader Statewide Framework



# Standardized Screening

- Routine identification of unmet health-related resource needs
- Developed by Technical Advisory Group
- Drew from validated and commonly used tools (e.g. PRAPARE, Accountable Health Community)
- Statewide collection of data
- Implementation
  - Fall of 2018 Pilot testing in 18 clinical sites and telephonically (n = 804)
  - Encouraging everyone to use for all populations
  - PHPs Required to Include in initial Care Needs Screening as part of Medical Managed Care

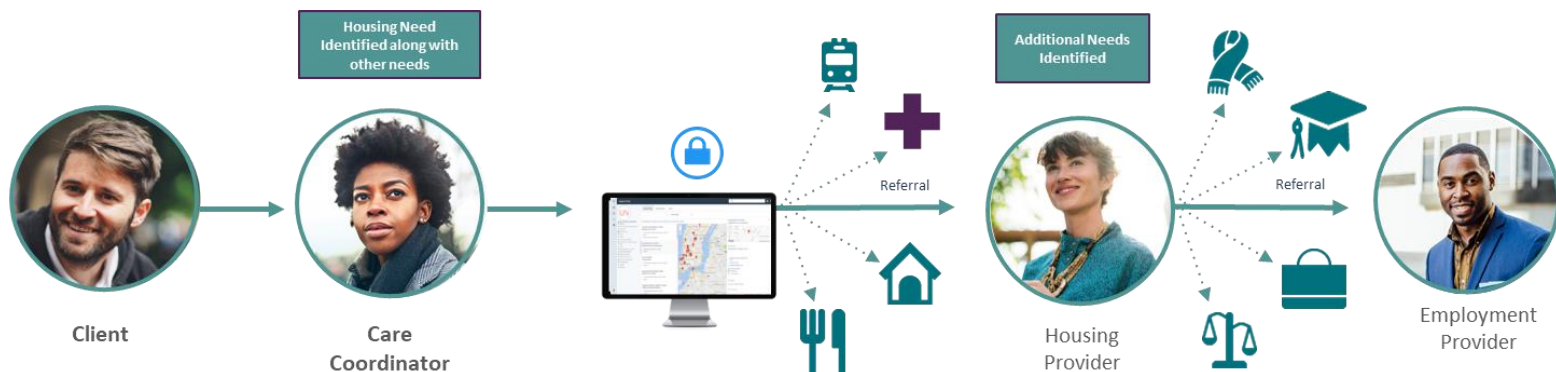
## Health Screening

We believe everyone should have the opportunity for health. Some things like not having enough food or reliable transportation or a safe place to live can make it hard to be healthy. Please answer the following questions to help us better understand you and your current situation. We may not be able to find resources for all of your needs, but we will try and help as much as we can.

	Yes	No
<b>Food</b>		
1. Within the past 12 months, did you worry that your food would run out before you got money to buy more?		
2. Within the past 12 months, did the food you bought just not last and you didn't have money to get more?		
<b>Housing/ Utilities</b>		
3. Within the past 12 months, have you ever stayed: outside, in a car, in a tent, in an overnight shelter, or temporarily in someone else's home (i.e. couch-surfing)?		
4. Are you worried about losing your housing?		
5. Within the past 12 months, have you been unable to get utilities (heat, electricity) when it was really needed?		
<b>Transportation</b>		
6. Within the past 12 months, has a lack of transportation kept you from medical appointments or from doing things needed for daily living?		
<b>Interpersonal Safety</b>		
7. Do you feel physically or emotionally unsafe where you currently live?		
8. Within the past 12 months, have you been hit, slapped, kicked or otherwise physically hurt by anyone?		
9. Within the past 12 months, have you been humiliated or emotionally abused by anyone?		
<b>Optional: Immediate Need</b>		
10. Are any of your needs urgent? For example, you don't have food for tonight, you don't have a place to sleep tonight, you are afraid you will get hurt if you go home today.		
11. Would you like help with any of the needs that you have identified?		

# Statewide Resource Platform: NCCARE360

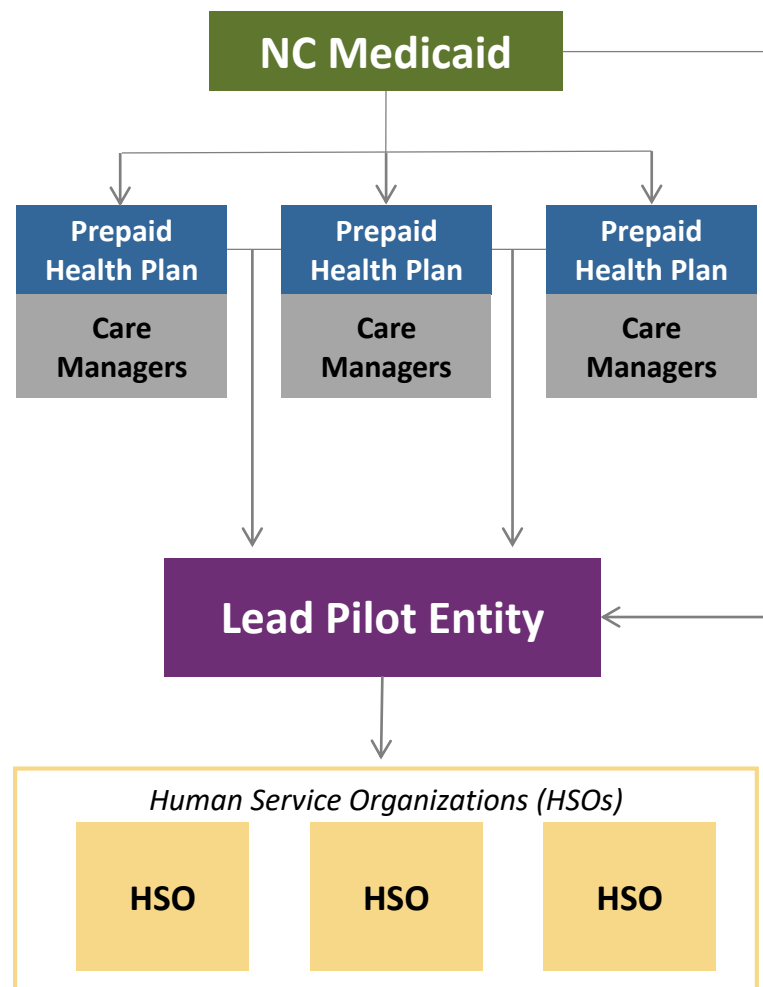
## Network Model: No Wrong Door Approach



- **Investing in connections:** Statewide coordinated network to connect citizens, healthcare providers, and human service providers
- Strong **public-private partnership** to create foundation for healthy opportunities

# Medicaid Pilots to “Buy Health”

- Up to \$650M investment from Medicaid to “buy” housing, food, transportation and interpersonal safety-related interventions in order to improve health and reduce costs.
- Unique opportunity for data and evidence generation.
- Embedded in the new managed care structure
- Detailed service definitions and pricing model for comment
- RFP for Lead Pilot Entity this fall





# Medicaid Expansion

- 500,000** New projected enrollees due to expansion, including a disproportionate number of rural North Carolinians
- 90%** Share of costs paid by the federal government – no new state appropriation needed to fund the state share
- 43,000+** Jobs created in the first five years of expansion

*Put downward pressure on premiums*

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*Improve health in NC, reduce rural health disparities*

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*Shore up rural hospitals*

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*Combat the opioid epidemic*

# Questions?



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