

Transition of Current Programs for High-Risk Pregnancy and At- Risk Children into Managed Care: *Payments for Care Management and Data Strategy*

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Part I:

***North Carolina's Medicaid Transformation and
Transition of Current Programs for High-Risk
Pregnant Women and At-Risk Children***

Overview of Managed Care Transition

North Carolina is preparing to transition to managed care which will advance high-value care and improve population health—especially for pregnant women and at-risk children

The majority of Medicaid beneficiaries will receive Medicaid through Prepaid Health Plans (PHPs)

- NC Medicaid providers will need to contract with PHPs and will be reimbursed by PHPs rather than the state directly
- Two types of PHPs:
 - Commercial plans
 - Provider-led entities

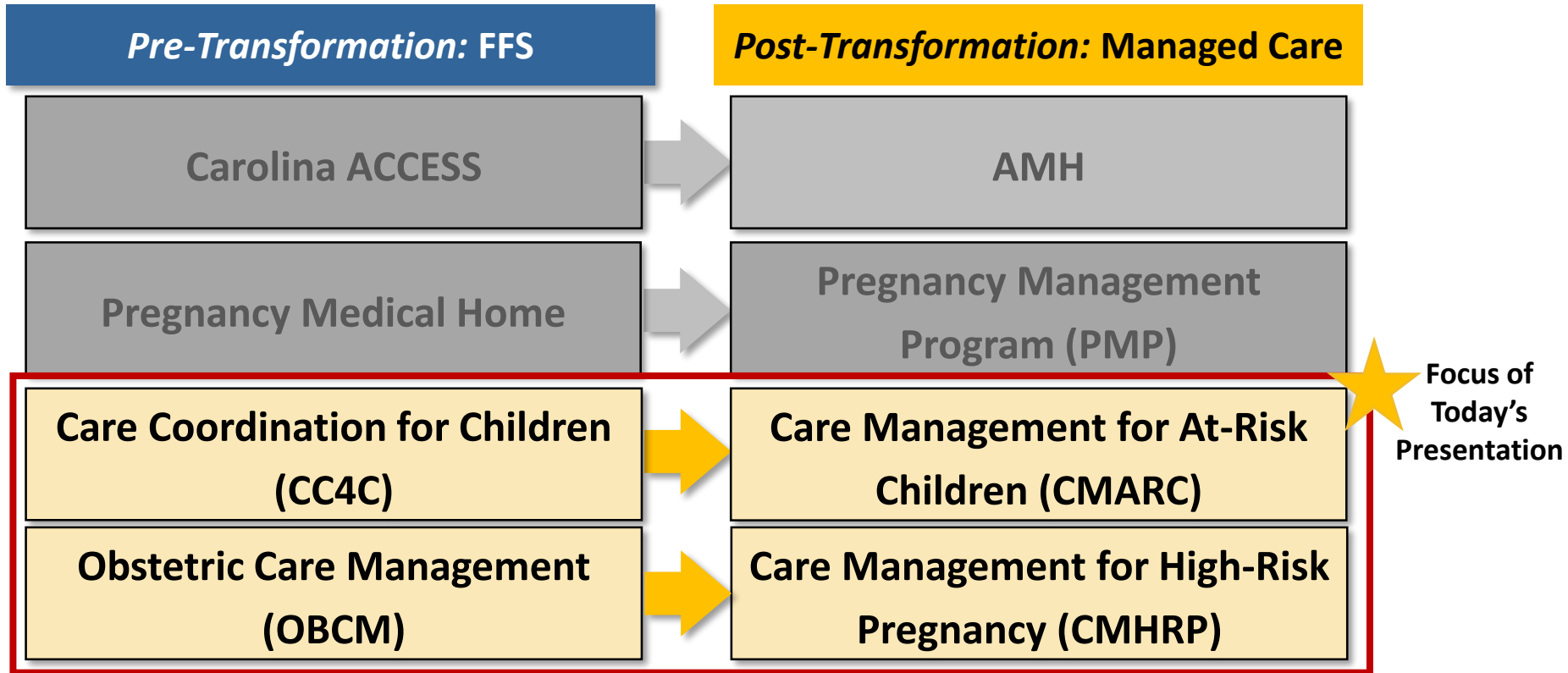
Note: Certain populations will continue to receive fee-for-service (FFS) coverage on an ongoing basis; Carolina ACCESS will continue for these populations

PHPs will offer two types of products:

- Standard plans for most beneficiaries; scheduled to launch in 2019–2020
- Tailored plans for high-need populations; will be developed in later years

Evolution of Existing Programs Under Managed Care

The State will build on existing care management infrastructure under managed care

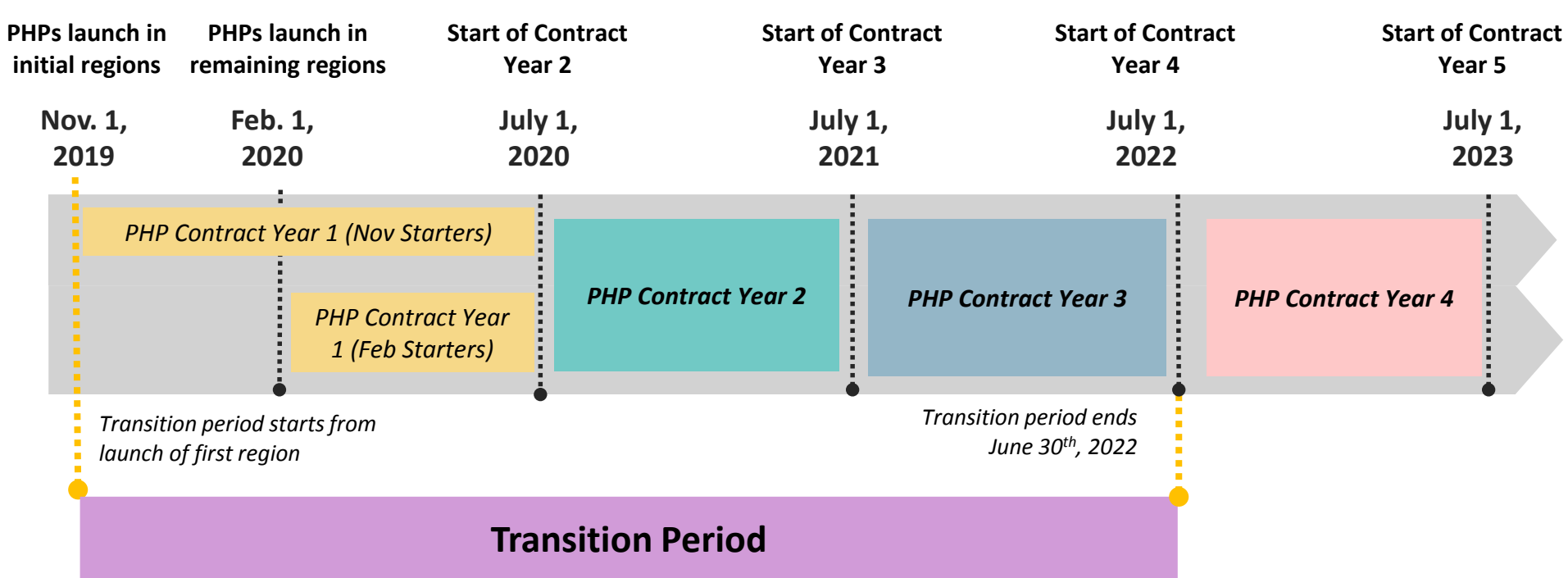


Note: These programs will **remain in place post-transformation** for populations that remain in FFS coverage

Note: Local Health Departments, Pediatric providers and Maternity Care providers can also be AMH providers

Transition Period for CMARC/CMHRP Programs

PHPs will be required to offer LHDs the right of first refusal for the provision of CMARC and CMHRP for a transitional period of 3 years



Two Advisory Groups will launch in 2019 and be dedicated to making recommendations to improve outcomes for both pregnant women and at-risk children

Part II:

***Care Management for High Risk
Pregnant Women and At-Risk Children***

Key Elements of the Transition to Managed Care for LHDs

Goal of the Transition to Managed Care: Continue to provide high-quality services to women and children in close partnership with providers across the state

1

PHPs will administer each program locally and have overall accountability for program outcomes

2

Populations not moving into managed care will continue to be served by the programs in the same manner as today

3

Maternity providers will still receive incentives* and all maternity and pediatric providers will still have direct access to care managers to help manage patient populations

4

DHB requires PHPs to offer LHDs right of first refusal under the current model during the transition period, starting from the implementation of managed care

5

After the end of the transition period, PHPs will negotiate program terms with care management providers of choice, which could be LHDs or other providers

* Incentive structure remains the same through transition period; in addition to regular payments for services.

Overview: Care Management for High-Risk Pregnancies

During the transition period, LHDs will continue to provide care management services for high-risk pregnant women

Similarities to today's program

- The CMHRP program will be similar to today's OBCM program. For example:
 - LHDs will continue to provide care management services to high-risk women, not subject to preauthorization from the PHP
 - Program eligibility and the risk screening form will be standardized by the State and consistent with the one used today.
 - Care management staffing requirements will remain consistent with current policy
- PHPs will incorporate a series of standard program requirements into their contracts with all LHDs in the CMHRP program.

Key Changes: Care Management for High-Risk Pregnancies

LHDs must account for key differences under the transition to managed care

Differences from today's program

- Differences in standard contract terms:
 - Requirements incorporate the changes of moving to managed care (e.g. collaboration and integration with PHPs).
 - LHDs will be required to coordinate with the PHP/AMH in cases where a woman has more than one care manager
 - LHDs are required to accept referrals from the PHP for the CMHRP program
- LHDs will be required to contract with each PHP to provide care management services
 - PHPs will give LHDs the “right of first refusal” as contracted providers of care.*
- LHDs will receive payments from PHPs
- LHDs will be required to share data with PHP

*If the LHD declines the contract, PHPs will consult the Department to identify another LHD in the same service region that is willing and able to provide care management services for high-risk pregnant women and at-risk children. The PHP will use the same process to contract with the new LHD.

Overview: Care Management for At-Risk Children

During the transition period, LHDs will continue to provide care management services for at-risk children

Similarities to today's program

- LHDs will continue to provide care management services to at-risk children, not subject to pre-authorization from the PHP
- Children who are the target population for today's program will be the target population in CMARC.
- LHDs will continue to accept referrals for CMARC from the following entities:*
 - Providers, social service organizations, their own outreach efforts, community agencies and direct referral by families.
- Care management staffing requirements will remain consistent with current policy.
- PHPs will incorporate a series of standard program requirements into their contracts with all LHDs in the CMHRP program.

Key Changes: Care Management for At-Risk Children

LHDs must for account for key differences under the transition to managed care

Differences from today's program

- Differences in standard contracting terms
 - Requirements incorporate the changes of moving to managed care (e.g. collaboration and integration with PHPs)
 - LHDs will be required to coordinate with the PHP/AMH in cases where a child has more than one care manager
 - LHDs are required to accept referrals from the PHP for CMARC
- LHDs will be required to contract with each PHP to provide care management service
 - PHPs will give LHDs the “right of first refusal” as contracted providers of care.*
- LHDs will receive payments from PHPs
- LHDs will be required to share data with PHPs

*If the LHD declines the contract, PHPs will consult the Department to identify another LHD in the same service region that is willing and able to provide care management services for high-risk pregnant women and at-risk children. The PHP will use the same process to contract with the new LHD.

Overview: Corrective Action Plan Process for LHDs

The corrective action plan is a process developed to address areas of underperformance, should they arise

Corrective Action Plan Pathway (CAP)

In the case of CAP, PHPs will intervene through a standardized corrective action plan process:

1. The PHP identifies LHD of underperformance and issues a written notice.
2. If underperformance continues beyond the remediation period, the PHP will issue a request for a CAP.
3. Once approved, the LHD has 90 business days to implement the CAP.
4. Failure to perform against the CAP constitutes grounds for immediate termination.
5. LHDs have the right to appeal the termination under standard appeals processes.

DHHS will provide oversight of the Corrective Action Plan process to ensure it is being utilized appropriately

***Part III:
Payments to LHDs for Provision of
CMHRP and CMARC***

Payments to LHDs for CMHRP and CMARC

During the transition period, LHDs will be paid for care management services using the same payment amount and methodology that exists today.

Care Management Payments to LHDs

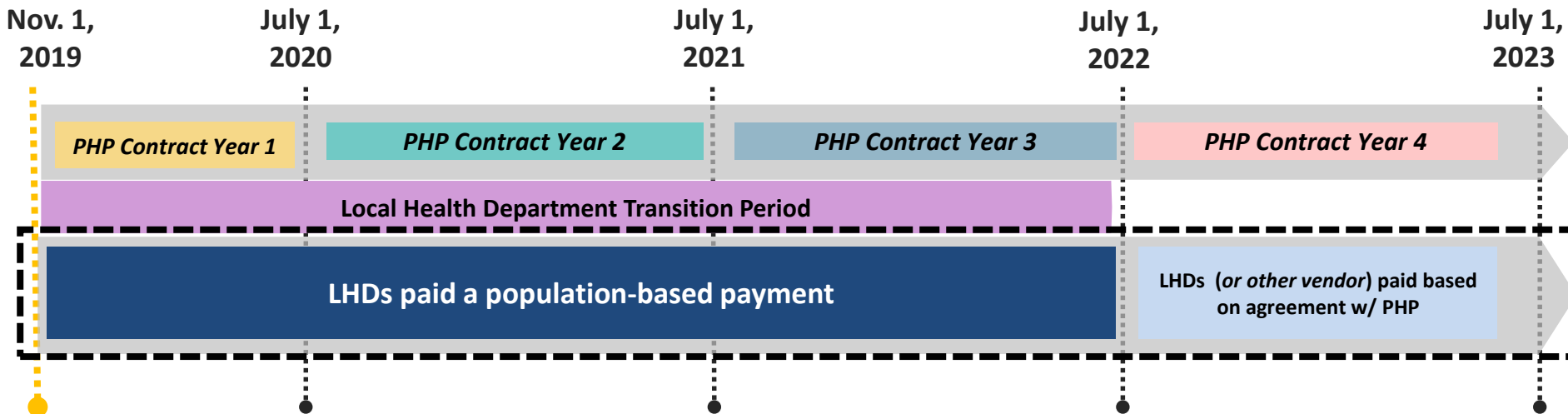
- **Per RFP:** PHPs will compensate contracted LHDs at an amount similar to but no less than funding levels they receive today for these services
- LHDs will be paid by PHPs for the provision of CMHRP and CMARC under managed care
- LHDs will be paid the same amount and using the same methodology for the provision of these services
 - **CMHRP:** \$4.96 PMPM for all PHP member women ages 14-44 on Medicaid residing in the LHD county/service area
 - **CMARC:** \$4.56 PMPM for all PHP member children ages 0-5 on Medicaid residing in the LHD county/service area
- Funding related to care management for high-risk pregnancies and at-risk children is included in the capitation payment to PHPs*

Note: This presentation focuses on payments for care management services. Additional guidance on other payments (e.g. cost settlement) is forthcoming

*Funding for all IT expenses, including the care management documentation system and analytics platform, will be paid directly from DHB to CCNC and is not included in the payments from PHPs to LHDs. DHB and DPH are working to develop the contract terms as part of the transition to managed care.

Timeline for Payment Methodology

Starting in year 4, PHPs will compensate LHDs or other care management providers at mutually agreed upon rates.



PHP Contract Years 1-3: Population-Based Payment

- Same payment model as today, but funding for care management runs through PHPs
- Focus on improved data collection
 - LHDs will be required to document utilization activities of CMHRP and CMARC services rendered

Year 4: Full Utilization Based Payment

- State pays PHPs
- PHPs compensate LHDs/other providers of services at mutually agreed upon rates

Part IV:
Data Strategy for
CMHRP and CMARC

Future State: Data Documentation and Reporting for CMHRP and CMARC

Two elements of the data strategy will remain consistent with today's program:

1. LHD's continued use of the current care management documentation and data analytic tools
2. The goal of promoting operational efficiency

Elements Consistent with Today's Program

- For Contract Years 1-3, LHDs will be permitted to use the standard documentation platform that is in existence today.*
- The Department embraces the adoption of data standards where they exist and are widely implemented, and will work with stakeholders to identify opportunities for consistent approaches to data content, formats, and transmission methods.

Key Changes to Data Reporting Under Managed Care

LHDs will have new data exchange relationships and workflows under managed care

Overview: Key Changes to Data Reporting

- **The LHD IT vendor will interact with multiple PHPs:** LHDs' care management documentation and analytics platform will receive data from and transmit data to multiple PHPs.
- **To address the complexity of exchanging multiple data types with different entities, the Department will promote efficient data exchange by:**
 - Aligning with national standards where possible
 - Promote common formats for data exchange that can be used for multiple purposes
 - Providing technical reference guides and implementation specifications
 - Supporting end-to-end testing and training for exchange of key data elements
 - Working with stakeholders to identify additional opportunities for consistent approaches to data content, format, and transmission methods

New Data Flows under Managed Care



Encounter Data: LHDs will no longer receive encounter data from DHHS; PHPs will send encounter data to LHDs.



Screening Information: Providers will send results of CMHRP and CMARC screening tools to PHPs and the LHD IT vendor. DHHS will encourage PHPs to incentivize timely transmission of the information.



Risk Stratification: PHPs will transmit their risk scores to the LHD's IT vendor; the LHDs' data analytics platform will receive and incorporate the PHP's risk stratification scores.



Comprehensive Assessments: The LHD IT vendor will share (i.e., transmit or make available) Comprehensive Assessments with PHPs.



Care Plans:

- PHP will transmit to the LHD IT vendor beneficiaries' care plans that include the roles and responsibilities of all care managers serving the patient.
- LHDs care plans will be informed by access to ADT-feed based alerts, information from providers, and information on referrals to social services via NCCARE360.
- Once LHDs create a beneficiary's care plan, it will be shared with PHPs, providers, and beneficiaries as appropriate.

Enhanced Performance and Utilization Requirements for LHDs

LHD's care management documentation platform will capture CMHRP/CMARC utilization information, calculate process measures, and generate utilization reports for LHDs, PHPs, and DHB.

Summary of Enhanced Performance and Utilization Requirements

- Promotes improved data collection on utilization to inform service payments after the transition period
- Required utilization factors and reporting structure need to be determined
- System use needs to be monitored; LHD care managers will have education/training on “adequate use” of system
- Non-use or inadequate use of system triggers a Corrective Action Plan for the LHD from the PHP

Note: The Department will provide guidance on the content and format for the collection and transmission of utilization and performance data.

Part V:
Conclusion and Q&A

Closing Thoughts

Advisory groups for high-risk pregnant women and at-risk children will be formed later on in 2019. For additional guidance on payments to local health departments, please see the following documents:

- [Management of High-Risk Pregnancies and At-Risk Children in Managed Care Program Guide](#)
- [FAQs for Management of High-Risk Pregnancies and At-Risk Children](#)
- [Data Strategy to Support the Care Management of High-Risk Pregnancies and At-Risk Children in North Carolina](#) *(forthcoming)*

Please submit any questions, comments or concerns to:
Medicaid.Transformation@dhhs.nc.gov

Questions?