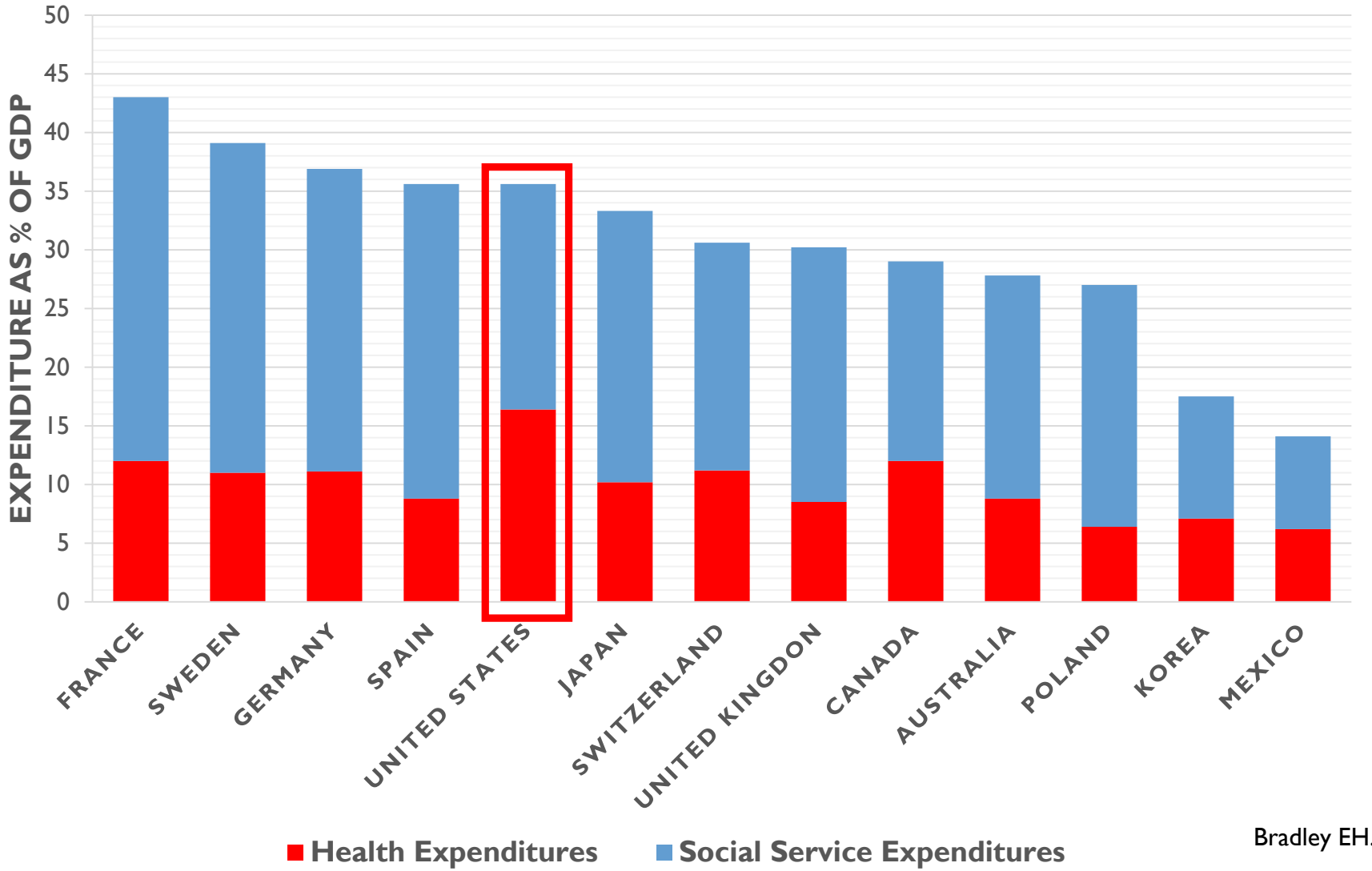
Medicaid Reform

Provider 360 Summit
“Sustaining Your Business through Medicaid Reform”
Kannapolis, NC
May 3, 2018

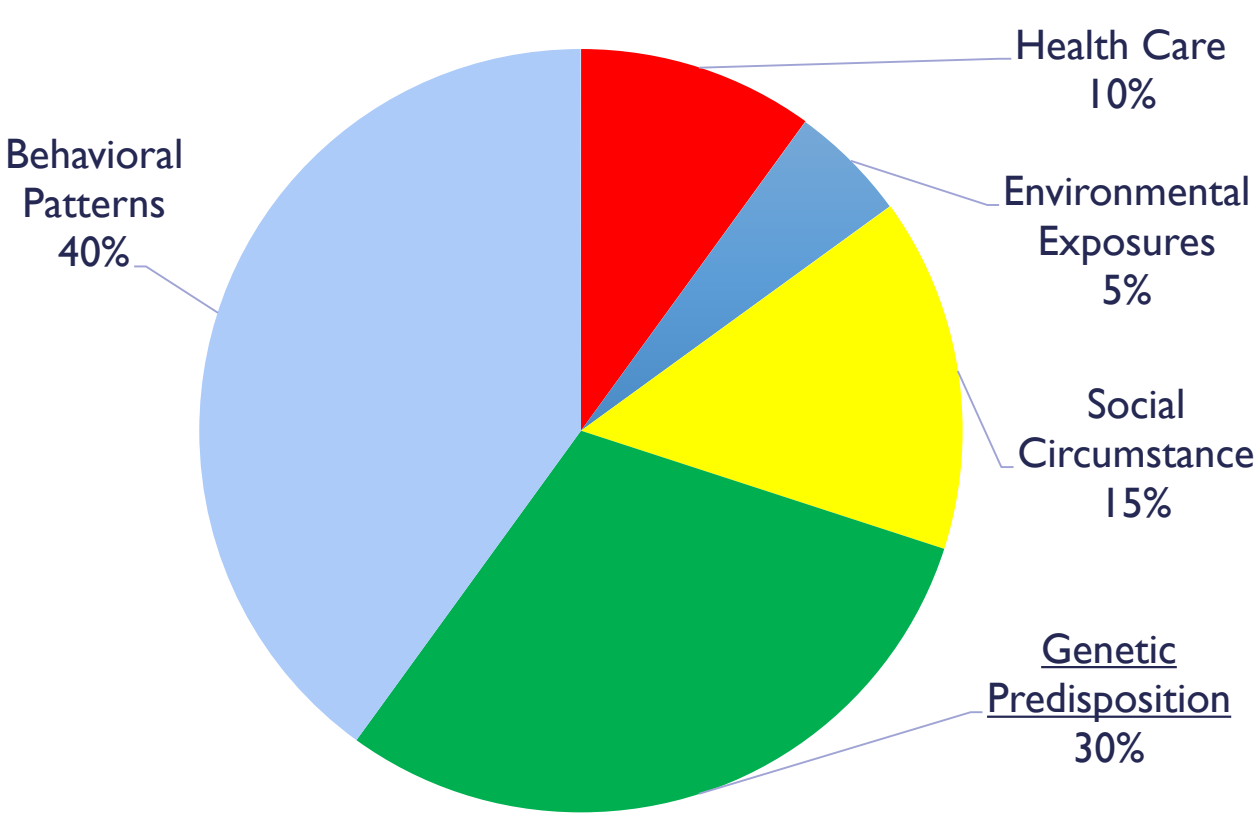
Buying Health: Health & Social Services Expenditure by Country



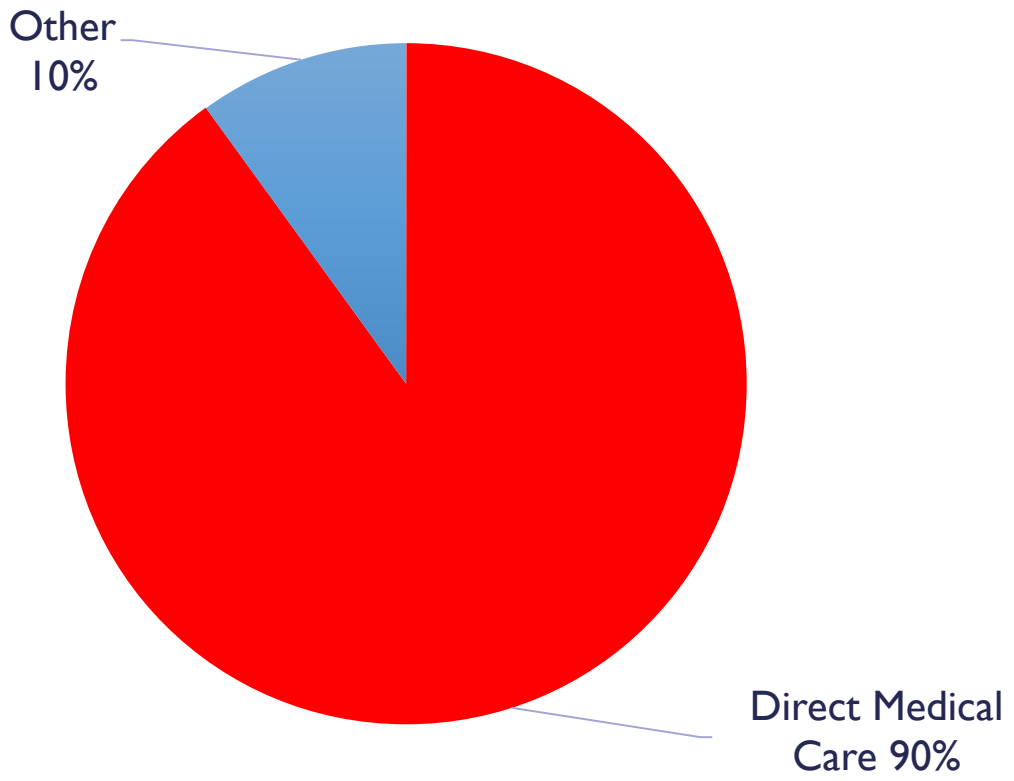
Bradley EH. *BMJ Qual Saf* 2011

Buying Health

Drivers of Health



Health Care Spending



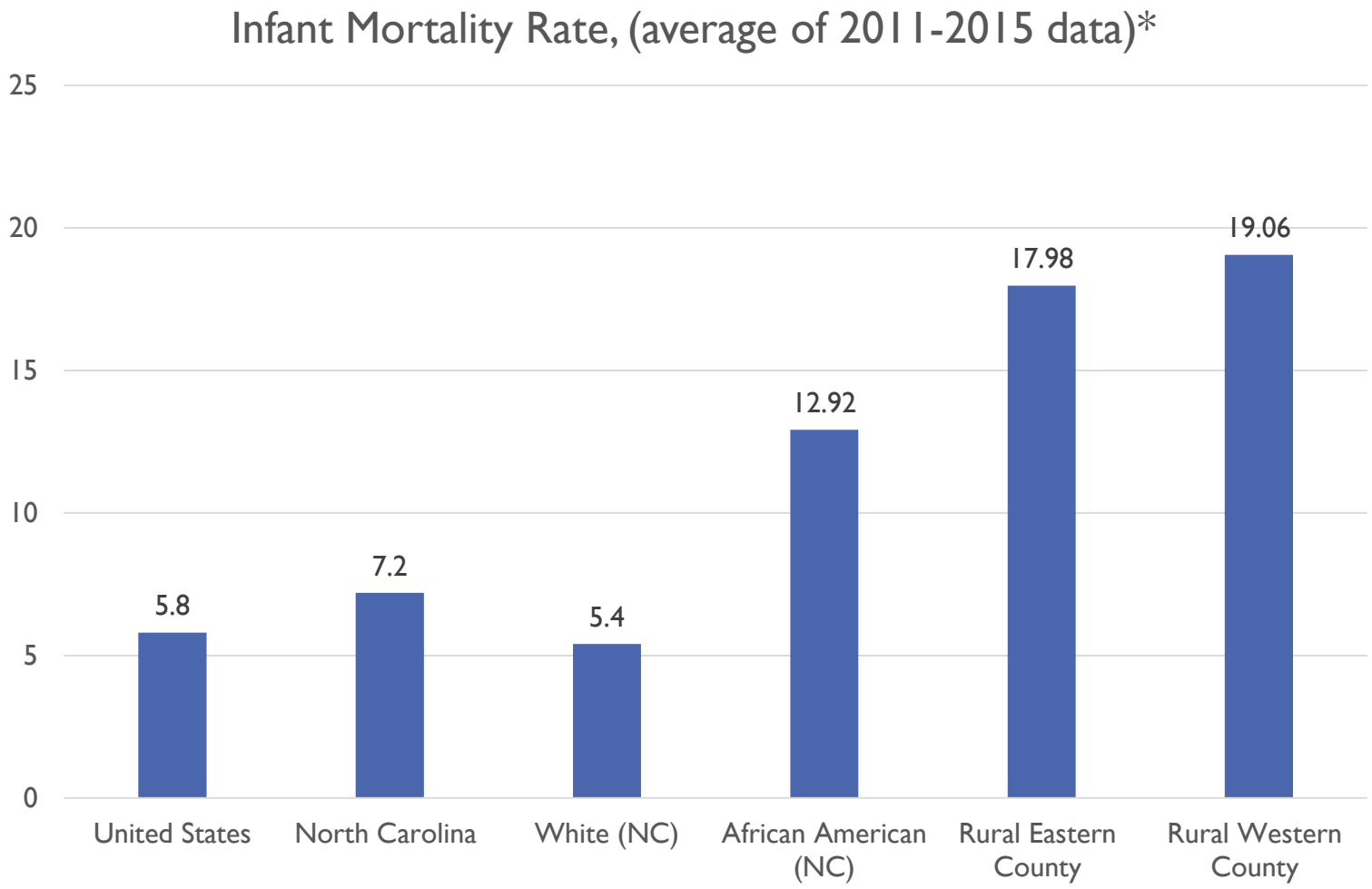
Schroeder SA. N Engl J Med 2007

The single greatest opportunity to improve health lies in addressing a person's unmet social needs.

DHHS Vision for Addressing Social Determinants of Health

We envision a North Carolina that optimizes health and well-being for all people by effectively stewarding resources that bridge our communities and our healthcare system.

North Carolina has an infant mortality rate of 7.2

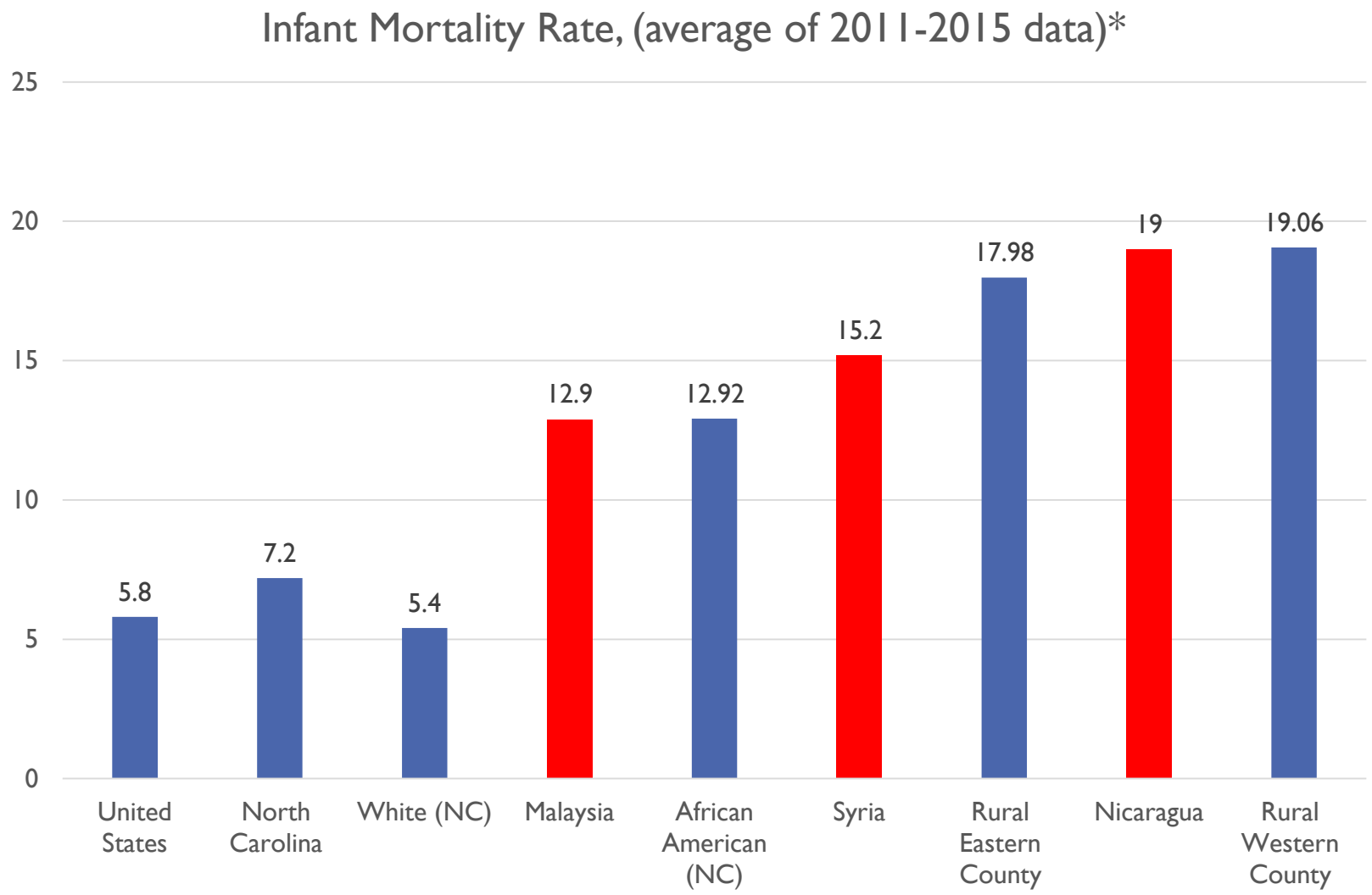


Factors that drive IMR:

- Poverty
- Access to pre-natal care
- Overall health of mom

*Data is based on 5 year average 2011-2015. These rates are based on small numbers and are therefore unstable

Disparities across race, region and rural/urban



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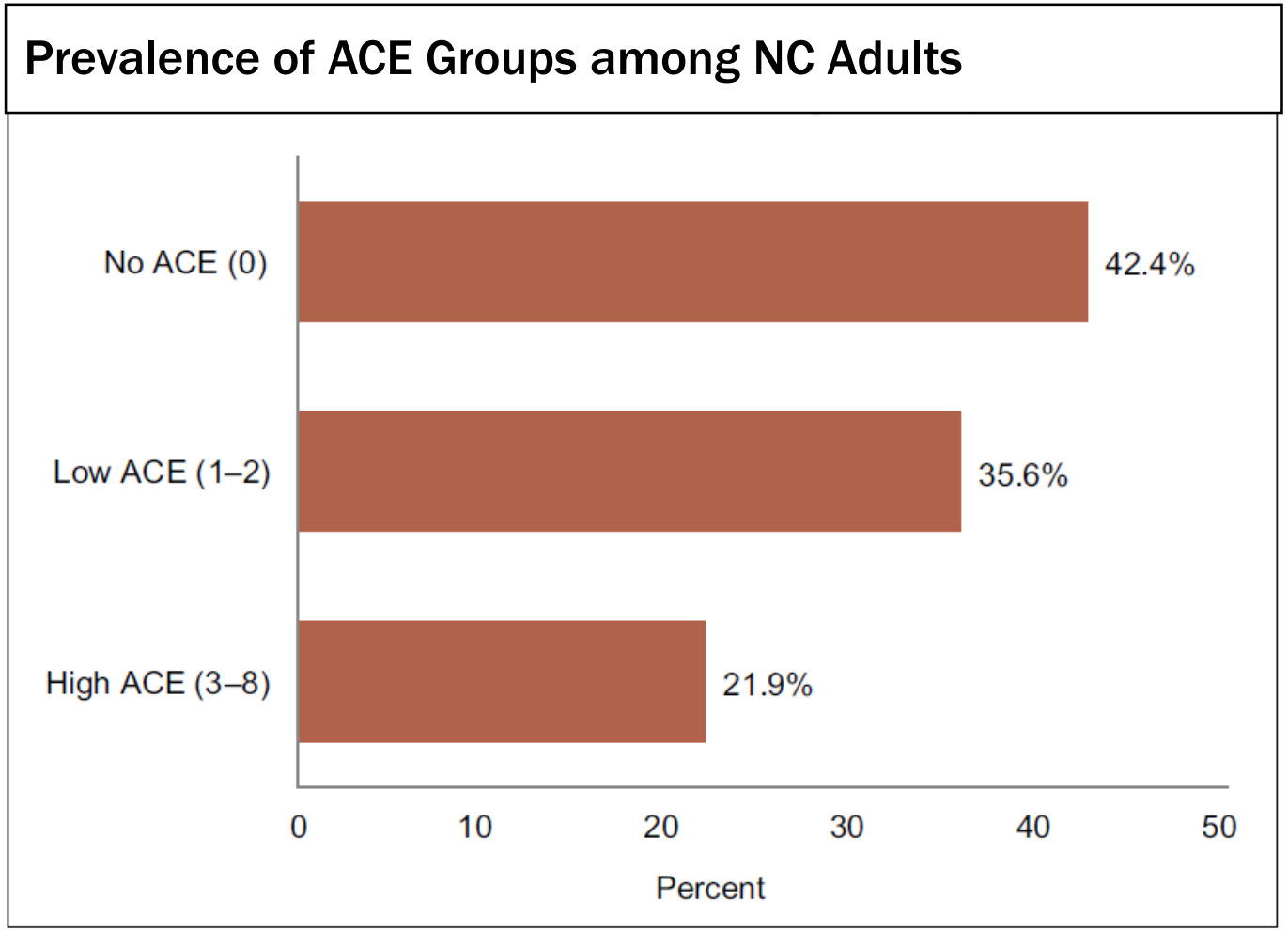
Adverse Childhood Experiences (ACEs) in North Carolina

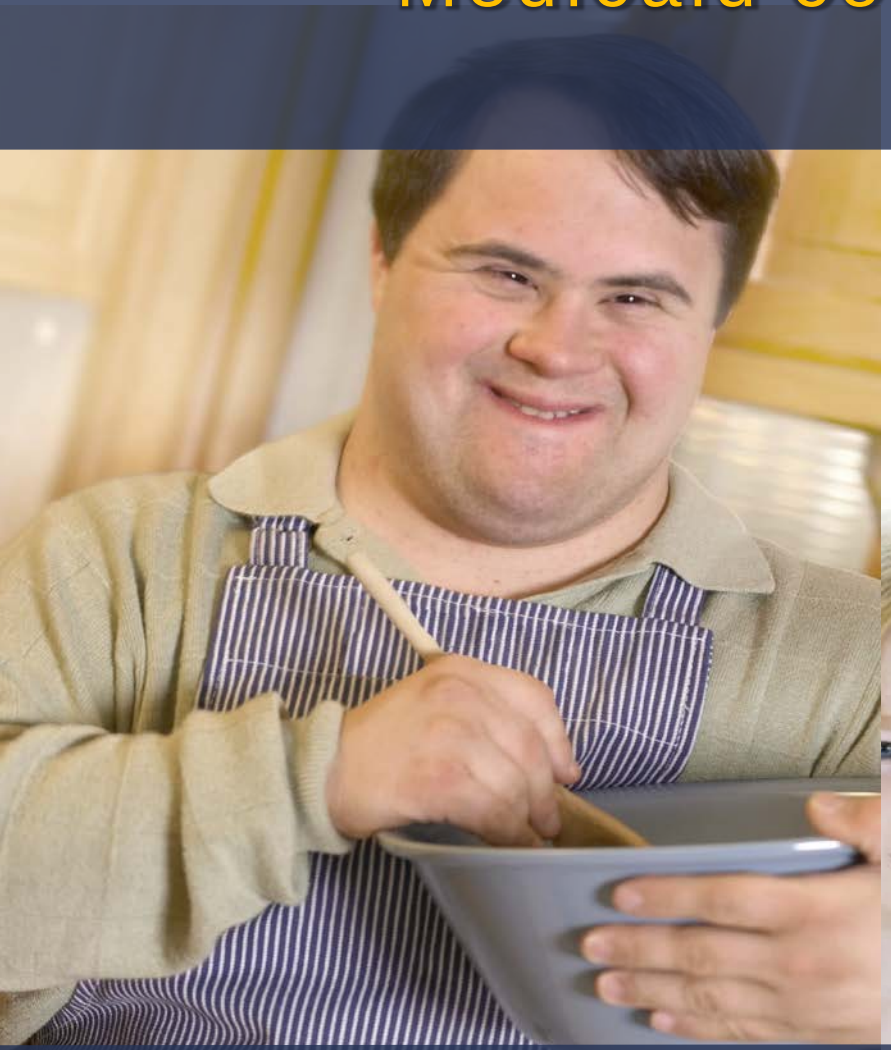
- NC ranks 30th in US in prevalence of ACEs
  - –24.3% of children experienced 2+ ACEs
- Trauma/ACEs increase risk of behavioral, physical and mental health issues



Source: NC BRFSS 2012

Medicaid Transformation

Medicaid covers more than 2 million people
$13 Billion/Year



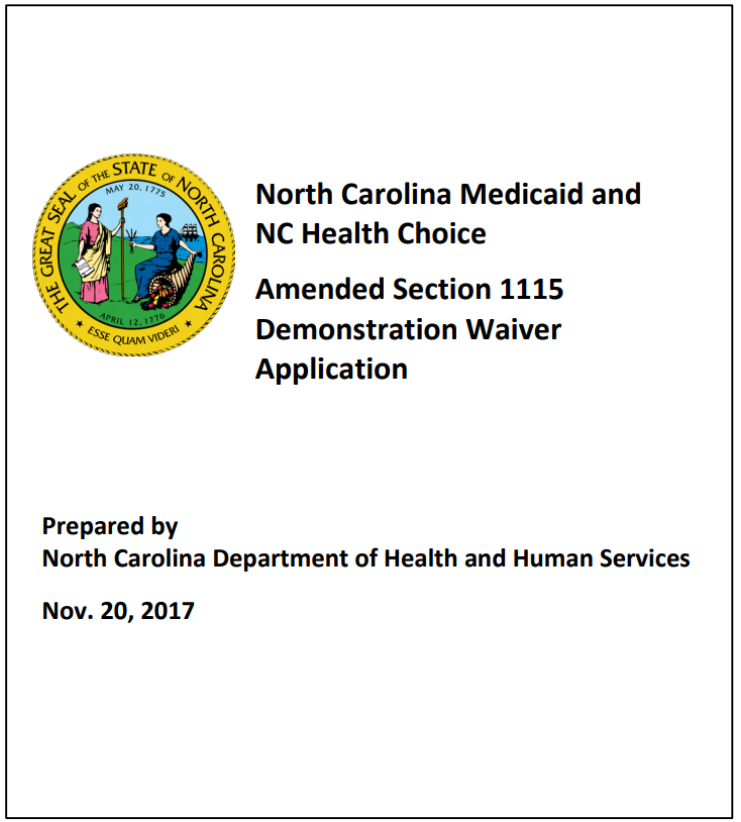
45%
people with a disability

30%
children

15%
seniors

Medicaid Managed Care Proposed Program Design

- Based on best practices from other states and building on the existing infrastructure in NC
- Vision: Advance high value care; Improve population health; Support providers; Build a sustainable program
- Key themes:
  - Improve health and well-being of North Carolinians
  - Focus on health of the whole person
  - Support clinicians in delivering high-quality care at good value
  - Addresses both medical and non-medical drivers of health



Supporting Providers through Transition

- Education and training through Regional Provider Support Centers
- Cut down administrative burden
  - Centralized credentialing process; uniform policies; single electronic application
  - Streamlined contract negotiations with standardized language for select sections
- Ensure transparent and fair payments to providers
- Support workforce initiatives
  - Workforce Innovation Fund– to address shortages identified in a statewide workforce evaluation
- New tools to combat the Opioid Crisis
- Support telehealth initiatives
  - Establish independent, statewide telemedicine alliance to increasing provider education & training
  - Support innovative approaches of providers and PHPs to telemedicine
  - Ensuring providers have access to equipment, ability to connect, & protocols for adapting practices

Physical and Behavioral Health Integration

- Consistent with principle of learning from best practices from other states while building on what is working in NC today
- Single point of accountability for care and outcomes; reduces clinical risk and gives beneficiaries one insurance card
- Approximately 1.8 million Medicaid beneficiaries would receive coordinated physical and behavioral health services
- Most Medicaid beneficiaries (<90%) would enroll in Standard Plans
- A smaller number with significant BH or I/DD needs would be enrolled in Tailored Plans
  - Access to expanded service array
  - Delayed start
  - DHHS recently released concept paper giving more detail on Tailored Plans

Where are we now

- Legislature must act in short session
- Special Session was close
- If no action – then what ?

Promoting Quality, Value and Population Health

- Statewide Quality Strategy
  - Single set of statewide quality measures to assess performance and drive progress
- Care Management
  - Build on what's working well today
  - Advanced medical homes
    - Enhanced payments to strengthen ability of PCPs to offer increased access to care for beneficiaries (including extended office hours and non-visit based forms of access), integrated care, strong preventive care, etc.
  - Roles in care management
    - Care management should directly involve the AMH care team or local care managers when possible
    - PHPs monitor care management activities and take direct responsibility for managing care of beneficiary not covered by AMH
  - Data analytics capabilities
- Value-Based Payment
  - Population health metrics, appropriateness of care
  - Incentivize prepaid health plans to use alternative payment models
- Address health-related social needs and reduce health inequities

Addressing Social Determinants as Part of Overall Health

- Standardized screening for unmet social needs
  - DHHS is convening a Technical Advisory Panel to build statewide tool
  - The State will release the tool for public comment in the spring of 2018
  - MCOs will use screening tool as part of comprehensive assessment when beneficiaries enter plan
  - Tool will be rolled in gradually to give time for provider training, capacity and workflow
- Resource Database and Navigation
  - Up-to-date list of benefits/ community services and access points to services
  - Used to connect individuals with unmet social needs to resources
  - Statewide, open-source resource
- Evidence-Based Public-Private Regional Pilots
  - DHHS will scale, strengthen and sustain existing innovative initiatives that aim to more closely link healthcare and social services
  - Focused on evidence-based interventions
  - Evaluation and scaling

Timeline

- Original Legislation - 2015
- Initial Waiver Application to CMS - June 2016
- Amended Waiver application to CMS - Fall 2017
- RFP - Once BH legislation passes
- Contracts Awarded - late Fall 2018
- Go Live - July 2019
- Follow our progress at: https://www.ncdhhs.gov/nc-medicaid-transformation

Questions