

NC DHHS Moving Quickly and Adding Detail to Medicaid Transformation Plan

NC DHHS has been publishing concept papers since last summer to provide information on specific areas of Medicaid Transformation. The Medicaid Transformation website (<https://www.ncdhhs.gov/medicaid-transformation>) now separates out concept papers, RFPs, the waiver amendment, application, etc. It is important to note that concept papers are point-in-time proposals by NC DHHS and include comment periods. The waiver amendment and RFPs are more formal documents reflecting the Department's plans or intention. Legislative authority for some changes remains in the balance and may be addressed in the General Assembly's Short Session. Other components of the Transformation Plan do not require any additional legislative authority than has already been provided. Keeping up with the information that is coming out a challenge, but it will provide more and more clarity on how the restructuring of Medicaid is going to play out in North Carolina.

RFP for Medicaid Enrollment Broker Includes Major System Changes

NC DHHS has published a RFP for a single Medicaid Enrollment Broker. The Enrollment Broker will serve five distinct populations within Medicaid:

- 1) the cross-over population with open enrollments;
- 2) new beneficiaries after cross-over open enrollments close;
- 3) beneficiaries at redetermination;
- 4) special populations to be phased into managed care after crossover population enrollment; and
- 5) populations exempt from managed care.

The Enrollment Broker is a key player in:

- ensuring that each Medicaid beneficiary is educated on their choice of plans;
- assisting the Medicaid beneficiary in selecting a plan and Advanced Medical Home;
- providing quick turnaround in determining Medicaid eligibility through NCFAST and other systems;
- linking systems to share data on eligibility;
- offering a user-friendly eligibility system for a Medicaid beneficiary;
- modifying information to fit the needs of each Medicaid beneficiary;
- respecting the Medicaid beneficiaries existing relationships with providers to the greatest extent possible.

The RFP includes the statement, "County Department of Social Service (DSS) offices will continue to process and determine eligibility for potential beneficiaries until real-time eligibility determination is fully implemented for all populations." Clearly there is intent for a big shift in the eligibility process. Because the Enrollment Broker will play such a significant new role in Medicaid eligibility, having a strong relationship with all 100 local DSSs will be one of the biggest factors of success. There is no other single agency that has more face-to-face contact with Medicaid beneficiaries than DSS. It is the Enrollment Broker's responsibility to connect with local DSS offices and provide educational materials and training.

Finally, the RFP provides some data on the number of Medicaid eligibles anticipated in the populations listed above. Below is the chart NC DHHS provides for the BH/IDD Tailored Plan, including Medicaid beneficiaries who are also eligible for Medicare:

Region	FY2016 average member/months
Region 1	14,000
Region 2	17,000
Region 3	25,000

Region 4	23,000
Region 5	18,000
Region 6	15,000
TOTAL	112,000

This RFP gives us a sense of how consumers can expect to access Medicaid and the emphasis that NC DHHS is placing on education and choice. Responses by potential vendors are to be submitted by April 13, 2018, and the contract will be awarded on May 31, 2018. The actual date of implementation is not set as NC DHHS is awaiting the green light from the Centers for Medicare and Medicaid Services (CMS) to move forward. NC DHHS also continues to work out some issues to gain legislative authority for some of the Plan. The General Assembly will return on May 16th for the Short Session, and it remains to be seen if NC DHHS will receive that legislative authority. Once they have CMS approval and legislative authority, the gates are open wide to move ahead with the Medicaid Transformation. This RFP is one big step toward that end.

New Managed Care Benefits and Clinical Coverage Policies Concept Paper Released

Managed Care Benefits are the package of services that are offered to particular populations and, in this paper, refer to the benefit packages offered to North Carolina Medicaid beneficiaries. Currently, Medicaid beneficiaries accessing MH/I-DD/SUD services are receiving Managed Care benefits. Under the Medicaid Transformation Plan, all Medicaid beneficiaries will be receiving Managed Care benefits for both physical and BH/I-DD services. The Clinical Coverage Policies are essentially North Carolina's definitions and parameters of the services offered within the Medicaid program. As we move to managed care for the entire Medicaid program, the benefits and coverage policies will be the structure under which all utilization management and authorizations for services are conducted. A managed care model will provide each Prepaid Health Plan (PHP) some level of flexibility in the service authorizations, however, the PHP must offer benefits in which the amount, scope and duration are no more restrictive than the State's existing fee-for-service policy for that service. This is the construct under which the LME/MCOs have been managing the Medicaid 1915(b)(c) waiver.

The concept paper also indicates that there will be an "interim approach" to implementing any changes to the BH/I-DD Clinical Coverage Policies. In fact, NC DHHS will continue the current BH/I-DD Clinical Coverage Policies followed by LME/MCOs for the first few years after the launch of the Standard Plan and the first year after the launch of the BH/I-DD Tailored Plan. During that time, NC DHHS will request feedback on changes needed.

The concept paper includes an emphasis on the use of "*in lieu of services*" for all of the benefits. *In lieu of services* are an opportunity for plan managers to offer beneficiaries some innovative services that replace a current service and are no more costly than that current service. An exciting example is the *in lieu of service for ICF-MR*. Instead of an individual living in an ICF-MR facility, the *in lieu of service* definition bundles services and supports that will allow that individual to live in and interact more with his/her community.

NC DHHS leaders have indicated that there are additional concept papers forthcoming. In addition, it is expected that they will begin the RFP process for the Prepaid Health Plans managing the Standard Plan sometime this spring or summer.