WRITTEN SECTION REPORT

REPORT PERIOD JUNE 1, 2022 THROUGH AUGUST 31, 2022

1. Policies Presented to the N.C. Physician Advisory Group (PAG)

The Pharmacy & Therapeutic Committee met on 06/14/2022 and 08/09/2022
The N.C. Physician Advisory Group met on 06/23/2022, 07/28/2022, and 08/25/2022

Recommended Clinical Coverage Policies

- 5B Orthotics and Prosthetics - 06/23/2022
- 8A Enhanced Mental Health and Substance Abuse Services- Mobile Crisis Management - 07/28/2022
- 8A-5 Diagnostic Assessment - 08/25/2022

Recommended Pharmacy Items

- Prior Approval Criteria- Calcitonin Gene Related Migraine Therapy-06/23/2022
- Prior Approval Criteria- Sedative Hypnotics- 06/23/2022
- Prior Approval Criteria- Topical Local Anesthetics- 06/23/2022
- Prior Approval Criteria- Triptans- 06/23/2022
- Pharmacy Policy #9- 06/23/2022
- Behavioral Health Clinical Edits (Pediatrics)-08/25/2022
- Behavioral Health Clinical Edits (Adults)-08/25/2022
- Prior Approval Criteria- Calcitonin Gene Related Migraine Therapy-08/25/2022
- Prior Approval Criteria- Opioid Dependence -08/25/2022
- Prior Approval Criteria- Evrysdi- 08/25/2022

PAG Notifications

- 3D Hospice Services - 06/23/2022,
- 3A Home Health Services - 06/23/2022,

2. Pharmacy Items Posted for Public Comment

- Prior Approval Criteria- Hepatitis C- 06/01/2022-07/16/2022
- Prior Approval Criteria- PCSK9 Inhibitors - 06/01/2022-07/16/2022
- Prior Approval Criteria- Growth Hormones - 06/01/2022-07/16/2022
- Prior Approval Criteria- Lupus Medications - 06/01/2022-07/16/2022
- Prior Approval Criteria- Monoclonal Antibodies - 06/01/2022-07/16/2022

Clinical Coverage posted for Public Comment

- 5B, Orthotics & Prosthetics 07/25/2022 - 09/08/2022
- 3A, Home Health Services 07/28/2022 - 08/28/2022
- 3D, Hospice Services 07/28/2022 - 08/28/2022

- 8A, Enhanced Mental Health 08/23/2022 - 10/07/2022

3. New or Amended Policies Posted to Medicaid Website

- 1F, Chiropractic Services - 7/1/22
- 5A-2, Respiratory Equipment and Supplies - 8/15/22
- 8G, Peer Support Services - 8/15/22

New or Amended PA Criteria Posted

- Pharmacy Policy #9- 06/23/2022
- Behavioral Health Clinical Edits (Pediatrics) - 07/01/2022
- Behavioral Health Clinical Edits (Adults) - 07/01/2022

4. Durable Medical Equipment and Supplies, and Orthotics & Prosthetics (DMEPOS)

Except for COVID flexibilities already made permanent and previously reported, all remaining temporary COVID flexibilities were end-dated June 30, 2022.

Clinical Coverage Policy 5A-2, Respiratory Equipment and Supplies:
An updated version of Clinical Coverage Policy 5A-2, Respiratory Equipment and Supplies with an amended date of Aug 15, 2022, and effective Aug 1, 2022, was posted to the NC Medicaid Clinical Coverage Policy web page. This update included:

- In Subsection 5.3.2 medical necessity criteria for a secondary ventilator were added
- In Attachment A, Section C, quantity limits were increased for respiratory supplies coded A7002, A7003, A7013, A7027, A7028, A7029, A7030, A7031, A7032, A7033, A7034, A7036. A7037, A7038
- Also, in Attachment A, Section C, new coverage and quantity limits were added for respiratory supplies coded A4619 (face tent), A7014 (filter, non-disposable, used with aerosol compressor or ultrasonic generator), E0572 (aerosol compressor, adjustable pressure, light duty for intermittent use), E0574 (ultrasonic/electronic aerosol generator with small volume nebulizer), E0585 (nebulizer, with compressor and heater), and E1372 (immersion External Heater for Nebulizer).

NC Medicaid Bulletin Article: https://medicaid.ncdhhs.gov/blog/2022/08/17/updates-clinical-coverage-policy-5a-2-respiratory-equipment-and-supplies

5. Behavioral Health IDD Section

Behavioral Health IDD Section

- 600 Innovations slots were allocated to the LME/MCOs July 2022
- Home and Community Based Standards Final Rule – Statewide Transition Plan was posted for public comment and submitted to CMS
- Mobile Crisis SPA has been submitted to CMS. This change removes the prior approval requirement as well as the maximum number of units.
- Mobile Crisis Grant: The team continues to work closely with RI International to hold 1:1 and regional meetings with key stakeholders, as part of the current state assessment. RI International continues to make progress on the Assessment of NC Medicaid Crisis Services task to interview providers and gather data on their current behavioral health crisis system/process. The team also submitted the no cost

extension request and application to CMS to extend the go live/completion date of the grant activities to September 29, 2023.

- CCP 8D-4 was reviewed in the June 1, 2022, PAG meeting. Motion was to approve.
- CCP 8A-5 Diagnostic Assessment was reviewed at the August 25, 2022, PAG meeting. Motion was to approve with modification.
- CCP 8F Research Based Behavioral Health Treatment for Autism Spectrum Disorder will be going to PAG in September.
- (i) option policies Individual and Transitional Support Proposed Policy and Individual Placement and Support Proposed Policy are scheduled for Sept. 22 PAG.
- Opioid Treatment Program Amended Policy is scheduled for Oct 27 PAG
- SAIOP Stakeholder Engagement scheduled for 9/21 and 9/22.
- SACOT stakeholder engagement scheduled for 9/28 and 9/30.
- Stakeholder Engagement Webinars for proposed Community Transition policy started on 9/7. The second webinar is scheduled on 9/8.

PROVIDER OPERATIONS REPORT

Ongoing monitoring of the Standard Plans (SP) continues in order to ensure required compliance, alongside collaboration from the Managed Care oversight team for noncompliance incidents.

- A newly designed in-house report was developed, tested, and made operational this quarter to support the monitoring efforts for PHP Provider Network File compliance. This effort includes validation of identified data errors and issuing corrective action plans.
- A Reconciliation Report was established and made accessible to PHPs to assist in reconciling terminated provider data. In turn, the PHPs provide reports documenting timely resolution of discrepancies as well as the successful execution of their corrective action plans.
- The completed integration of the updated Provider Enrollment File as well as the development of an internal reconciliation report allows for more efficient and effective monitoring of Standard Plan provider participation.

Cross-functional work is underway with internal and external business units and vendors to ensure understanding and the correct ingestion of data. In addition, Provider Operations has published a Provider Data Guide to PHPs, offering information and expectations for the capture and use of data and utilizes weekly meetings with PHPs to address questions.

Provider Operations collaborated with other DHB Business Units to develop a streamlined cross-functional approach to respond to FAQs from the Standard Plans. Not only will this allay duplication of efforts but will create an index of standardized responses to repeat questions and support the consistency of those responses.

The Provider Operations team also continues to work with the NC Medicaid Managed Care Tailored Plans on implementation of the BH I/DD (Behavioral Health Intellectual/Developmentally Disabled) Tailored Plan and Prepaid Inpatient Health Plan (PIHP) Medicaid Direct contracts, both set to launch on December 1, 2022.

- The Tailored Plan team continues to review and approve all Provider Operations post-contract award inbound deliverables submitted by the Tailored Plans and meets weekly with each Tailored Plan individually to assist with Provider Operations-related questions and issues that arise during Implementation, as well as provide technical support and guidance
- The Medicaid and NC Health Choice Provider and Health Plan Lookup Tool for Tailored Plans went live on June 15th. Provider Operations worked with Member Operations and the Enrollment Broker to identify and address any errors displayed.
- The Provider Operations team reviewed and amended the provider sections of the PIHP NC Medicaid Direct Contract, and the contract was finalized in August.
- Readiness Review continued and Round 3 of the Tailored Plan/NC Medicaid Direct Desktop Review as well as the Call Center Virtual Onsite Reviews were completed. Provider Operations attended On-site Reviews for all the Tailored Plans and scheduled live demonstrations of operations for September.
- The Tailored Plan team, in conjunction with the Audit team, continues to work on the development and approval of TP and PIHP Medicaid Direct Business Procedures and monitoring processes.

The Provider Data Management/Credentialing Verification Organization (PDM/CVO) project is in the process of selecting a vendor and currently in the silent period. The contract is expected to be awarded to an NCQA certified vendor with planning and design to follow.

Our NC Area Health Education Center (AHEC) provider engagement and technical support partner reported completing 2,051 contacts to rural and independent primary care provider practices during this quarter. AHEC's regional based coaches aid practices through multiple channels including virtual meetings, on-site visits, telephone conversation, or e-mail communication.

The Medicaid Provider Ombudsman received 604 cases directly through the Provider Ombudsman Listserv during this quarter. The team responded directly to 153 of those and worked to assign other cases to the appropriate business owner including the PHPs, General Dynamics Information Technology/NCTracks, or an operational unit within DHB. The Provider Ombudsman follows up with the business owner if a case has aged for 7 days or greater and open cases are also monitored bi-weekly through closure. Trends continue to be tickets related to Claims/Finance and Provider Enrollment.

In response to findings cited in the Office of State Auditor (OSA) Performance Audit published February 2021, and Single Audit Report for the year ending June 30, 2020, Provider Operations submitted several Customer Service Requests (CSRs) to improve the Medicaid and NC Health Choice (NCHC) provider screening, enrollment, and termination processes. These changes include:

- Primary source verification of all credentials at time of re-verification/re-credentialing. When re-verification/recredentialing resumes at the end of the federal Public Health Emergency (PHE), Medicaid's Fiscal Agent will conduct primary source verification of all credentials required for enrollment for all individual and organization providers during re-verification/re-credentialing as required in CFR 455.450.
- Automation of two database searches, Adverse Actions Report (AAR) and Provider Penalty Tracking Database (PPTD). This automation reduces the chance of errors identified in the manual search process during credentialing. The monitoring efforts around this reporting have been updated to reflect this change.
- Validation of ownership and managing employee information is enhanced by requiring the Fiscal Agent to implement the first of a two-phased process for ownership and managing employee disclosure screening prior to initial enrollment for in-state organizations. Once phase one is implemented and any unforeseen issues are addressed, the next phase will be the verification for all organizations, including border and out-of-state providers during initial enrollment and re-verification.
- Application of new denial and termination reason codes for provider taxonomies and Medicaid and NC Health Choice health plans when the Department renders a decision to limit, deny or terminate a provider's participation due to license limitations imposed by their respective licensing boards as provided in CFR 455.412. This change also added measures to prevent providers with license limitations from re-enrolling without first being reviewed and approved by the Department.
- Development of a new process to bump up a provider to a high categorical risk level from limited or moderate when it is determined that the provider, owners, or managing employees have been excluded from OIG, Medicare, SAM or any other Federal Health Care Program within the past 10 years. Although implementation is pending, this change will improve the documentation and oversight needed for providers flagged as high risk.

Provider Operations is actively involved in the following audit activities:

- 2022 Office of State Auditor (OSA) Single Audit
- 2022 Internal Enhancing Accountability in Government through Leadership and Education (EAGLE)
- Audit RY2023 Payment Error Rate Measurement (PERM) Audit
- 2021 Internal Office of Inspector General (OIG) Risk Assessment Audit as performed by NC Medicaid Office of Compliance and Program Integrity (OCPI)
- Office of Internal Auditor (OIA) Follow-up to 2021 Single Audit Findings Items

Monitoring the Fiscal Agent's performance of provider enrollment and termination and the performance of vendors, contractors, and health plans was carried out in accordance with our Provider Operations' Monitoring Plan to ensure approved providers meet qualification requirements and that ineligible providers are terminated in a timely manner when they fail to meet the Medicaid and NC Health Choice (NCHC) program standards.

During this quarter, Provider Operations monitored the following to determine if the actions taken by the referenced entities impacted a provider's Medicaid and NCHC participation:

- 138 licensure disciplinary actions imposed by 19 N.C. licensure boards

- 340 notifications from four N.C. Divisions (Health Services Regulation, Aging and Adult Services, Social Services and Public Health)
- 54 notifications from the Centers for Medicare and Medicaid Services (CMS)

In addition, 100 provider applications processed by our Fiscal Agent were monitored to ensure proper approval, denial and termination decisions were rendered; and 60 monthly LexisNexis background checks were monitored to ensure our Fiscal Agent took proper action on provider records.

NC Medicaid's Fiscal Agent reports certain provider termination action to CMS, the U.S. Department of Health and Human Services (HHS-OIG) and the National Practitioner Databank (NPDB) in accordance with federal and state regulations. During this quarter Provider Operations monitored the following number of actions to ensure they were reported timely and accurately:

- 7 actions reportable to CMS
- 1 action reportable to HHS-OIG
- 4 actions reportable to NPDB

NC Medicaid's Fiscal Agent is responsible for initiating provider screenings, site visits, and initial enrollment online training, which is conducted by Public Consulting Group (PCG). During this quarter, Provider Operations monitored the following activities carried out by PCG to ensure compliance with state and federal rule and regulations:

- 22 site visits
- 23 online trainings

The Provider Operations' Monitoring Plan also requires management quality control review of monitoring activities conducted by its staff including, but not limited to the activities listed above. During this quarter, management reviewed 457 items.

The above-mentioned activities also run alongside staff involvement in provider communication and engagement activities, the development of new Division initiatives, and continued partnering and vendor management activities, which include the fiscal agent (GDIT), Enrollment Broker, and PCG.