

Director's Report
February 19, 2020

Medicaid Transformation Update

The North Carolina Department of Health and Human Services (DHHS) announced on November 19, 2019, the suspension of Medicaid Managed Care that was scheduled to go live February 1, 2020. The General Assembly adjourned on November 14 without a finalized budget resulting in the lack of required new spending for the transition. The Governor had also earlier vetoed House Bill 555, which would have released funding to remain on schedule until a final budget was passed. We sent a press release to local media sources on December 3, and the State began mailing letters to Medicaid recipients on December 6, 2019.

With managed care suspended due to the State budget stalemate, NC Medicaid continues to operate under the current fee-for-service model. Nothing has changed for Medicaid beneficiaries; they continue getting health services as they did prior to the managed care initiative. Behavioral health services continue to be provided by Local Management Entities – Managed Care Organizations. All health providers enrolled in Medicaid are still part of the program and will continue to bill the State through NC Tracks.

Even though managed care is suspended, DHHS is preparing to issue a Request for Applications (RFA) to seek Local Management Entity/Managed Care Organizations (LME/MCOs) to serve as Behavioral Health I/DD Tailored Plans and support the goals of NC Medicaid Managed Care. The RFA will include requirements for both Medicaid and State-funded services, as well as, the evaluation questions that RFA respondents must complete and submit to the State to be considered for a Behavioral Health I/DD Tailored Plan contract award.

Tailored Plans will serve populations with more significant behavioral health conditions—including mental health and substance use disorders (SUD), Intellectual/Developmental Disabilities (I/DD) and traumatic brain injury (TBI). Physical health, behavioral health, long-term care, pharmacy services, and unmet health related resource needs will be provided to Tailored Plan consumers under one plan.

DHHS released a policy paper outlining the criteria for the selection process for Tailored Plans on January 30, 2020 – *Behavioral Health I/DD Tailored Plan RFA Pre-Release*. This report is included in the meeting agenda packet. As an introduction, I have highlighted some information from the paper below pertaining to the selection and procurement process. More specific information regarding requirements/expectations of each applicant can be found in the full policy paper, including Administration, Financial Management and Monitoring, Provider Participation/Contracting, Quality, and other Programmatic Features.

- The first Behavioral Health I/DD Tailored Plan contract term will last four years.
- There will be only one Behavioral Health I/DD Tailored Plan operating in each county.
- The Department has defined seven Behavioral Health I/DD Tailored Plan Regions within North Carolina, which are consistent with the current LME/MCO catchment areas,
- North Carolina legislation expressly requires that Behavioral Health I/DD Tailored Plans be operated “only by Local Management Entities/Managed Care Organizations (LME/MCOs) that meet certain criteria established by DHHS” for the first contract period of four years, after which point, Behavioral Health I/DD Tailored Plan contracts will be open for a competitive bid process to entities operating the initial Behavioral Health I/DD Tailored Plan contracts and any not-for-profit Prepaid Health Plan (PHP) that is licensed to operate in North Carolina. As such, only LME/MCOs may apply to be Behavioral Health I/DD Tailored Plans under this initial RFA and through the duration of the first contract.
- The Department will use a comprehensive and thorough application process to award Behavioral Health I/DD Tailored Plan contracts with criteria established by the Department.
- The Department will set actuarially sound capitation rates for Behavioral Health I/DD Tailored Plans; applicants will not submit price bids as part of their RFA responses. By accepting a contract, Behavioral Health I/DD Tailored Plans agree to accept any actuarially sound capitation rates as developed by the Department and approved by CMS.
- The evaluation of applicants will be based primarily on the applicant’s qualifications and ability to meet the expectations and requirements of both Medicaid managed care and State-funded Services operations as outlined in the RFA.
- Applicants may only apply for the Region(s) in which they are currently operating as an LME/MCO.
- In the event that no Contract is awarded in a Region to the entity currently serving the Region, the Department will, at its discretion, award all or part of the “empty” Region to one or more qualified applicants, using an optional, supplemental questions request. Those selected who would like to be considered for an expanded service area in an empty Region will be asked to respond to additional questions in this supplemental questions request.

On Feb. 5, 2020, the Department of Health and Human Services issued the *NC DHHS Transition of Care Draft Policy* for public comments detailing the requirements under which the Standard Plan Prepaid Health Plans (PHPs) will facilitate transition of care for members transitioning between PHPs or service delivery systems. The paper describes how DHHS plans to ensure continuity of services during the transition. This paper is also included in the agenda packet for anyone wishing to review it.

Proposed Legislative Bills

There were no changes on any of the bills included on the bill tracker. The next legislative session will begin on April 28, 2020. There is no attachment in the agenda packet since there were no changes.

State Budget (House Bill 966)

A State budget has not been approved seven months into the fiscal year. At this time, the State continues to operate on funding amounts from last year's budget, with the exception of mini budget bills that were passed in some areas, but none that had a direct impact on Social Services at the local level.

NCCARES360

Rutherford County is beginning the first phase of the NCCARE360 roll-out. Several Community Influencers (stakeholder) sessions will be convened to solicit community and stakeholder input and feedback.

The purpose of the sessions is to share more about the proposed plan, hear from individuals in various areas of expertise, and build relationships to ensure this initiative will successfully meet the needs of Rutherford County and the North Carolina community. The first session was held at First United Methodist Church in Forest City on February 11.

Below is a preliminary list of the sectors that have been in attendance for other regions in Western North Carolina:

- * Faith-Based
- * Housing
- * Healthcare
- * Employment
- * Food
- * Interpersonal Violence
- * Transportation
- * Education
- * Government Agencies

Below is a summary of NCCARES360 followed by two links that provide more in depth information about this initiative.

NCCARE360 is the first statewide coordinated care network to electronically connect those with identified needs to community resources and allow for a feedback loop on the outcome of that connection.

There is growing recognition that better coordination and investment in the non-medical drivers of health, like access to healthy food, safe and affordable housing and well-paying jobs, can improve health and decrease health care costs. However, people face a fragmented system of health and human services that can be hard to navigate. Providers often operate in siloes, are disconnected and have no meaningful way of coordinating services for local residents. NCCARE360 is collaborative solution to this

problem by providing a coordinated, community-oriented, person-centered approach to delivering care in North Carolina.

Through NCCARE360, community partners will have access to:

- A robust Statewide resource directory that will include a call center with dedicated navigators, a data team verifying resources and text and chat capabilities.
- A data repository to integrate resource directories across the State to share resource data.
- A shared technology platform that enables health care and human service providers to send and receive secure electronic referrals, seamlessly communicate in real-time, securely share client information and track outcomes.
- A community engagement team working with community-based organizations, Social Service Agencies, health systems, independent providers, and more to create a Statewide coordinated care network.
- This solution ensures accountability around services delivered, provides a “no wrong door” approach and closes the loop on every referral made.
- NCCARE360 implementation started in January 2019. NCCARE360 will be available in every county in North Carolina with full Statewide implementation by end of 2020.
- NCCARE360 is a result of a public-private partnership between the NC Department of Health and Human Services and the Foundation for Health Leadership and Innovation (FHLI). The NCCARE360 implementation partners are United Way of NC/211, Expound Decision Systems and Unite Us.

Information Links

<https://nccare360.org/about/>

<https://www.ncdhhs.gov/about/departments-initiatives/healthy-opportunities/nccare360>

Articles – 5 Things to Know About Trump’s Medicaid Block Grant Plan

Trump Administration to Allow Medicaid Block Grants

These are two of several articles recently published and being shared for information only. We have received no further information whether North Carolina officials will entertain this option. This change would create an optional demonstration waiver program for adults under age 65 who receive Medicaid through the Medicaid expansion in the American Care Act, meaning they do not qualify under the State Plan for Medicaid. However, States do not have to be an expansion State to request the waiver. This is being called the Healthy Adult Opportunity (HAO) Waiver. Under this plan, States would be able to choose between a per capita cap model and an annual spending block grant. There would be mandatory outcome measures that must be met and many options that States could choose.

Child Support Mobile Website

NC Child Support Services launched an optimized website on February 1, 2020, which is compatible with mobile devices such as cell phones and tablets. The website will offer the following new features that will be useful and convenient to Child Support consumers who choose to use them:

- Document Upload for the online application
- Email My Caseworker
- Manage My Personal Information
- Anonymous Tip Form

A Dear County Director of Social Services letter is included in the agenda packet that offers additional information.