Medicaid Transformation Update

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Medicaid in NC

- Medicaid is a joint federal and state program that helps with medical costs for some people with limited income and resources.
- Currently, ~2.1M people in NC on Medicaid. In Wake County, 143,500 people are on Medicaid.
- The program is managed by the NC Department of Health & Human Services (DHHS), Division of Health Benefits whereby reimbursement is a fee-for-service paid directly to the service providers.



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Medicaid Transformation Background



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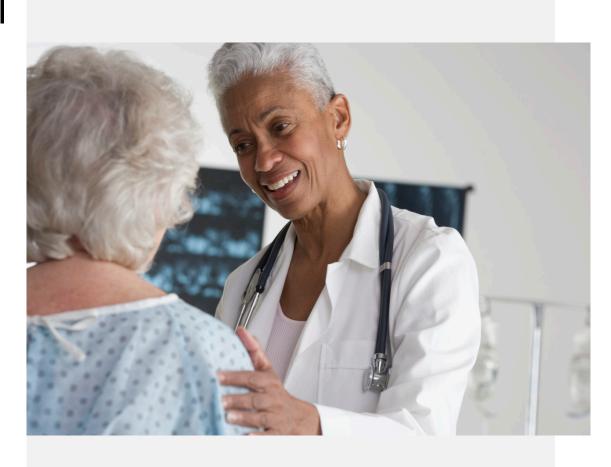
- In 2015, the NC General Assembly enacted a law transitioning Medicaid from a fee-for-service structure to a managed care service (PHPs receive a set per member per month payment for services).
- These changes are intended to integrate physical and behavioral health; establish sustainable and predictable costs; engage and support healthcare providers; and improve overall population health.
- On February 1, 2020, the Standard Plan goes live for all for ~90% of the NC residents currently on Medicaid.

Medicaid Transformation Future

- Prepaid Health Plans (PHPs) will oversee the direct management of certain healthcare services and share the financial risks with contracted care providers to deliver services to their members.
- Five PHPs have been identified for our region
 - AmeriHealth Caritas North Carolina, Inc.
 - Blue Cross/Blue Shield of North Carolina
 - Carolina Complete Health, Inc.
 - UnitedHealthcare of North Carolina, Inc.
 - WellCare of North Carolina, Inc.
- The total contract for the State is > \$6.0 Billion

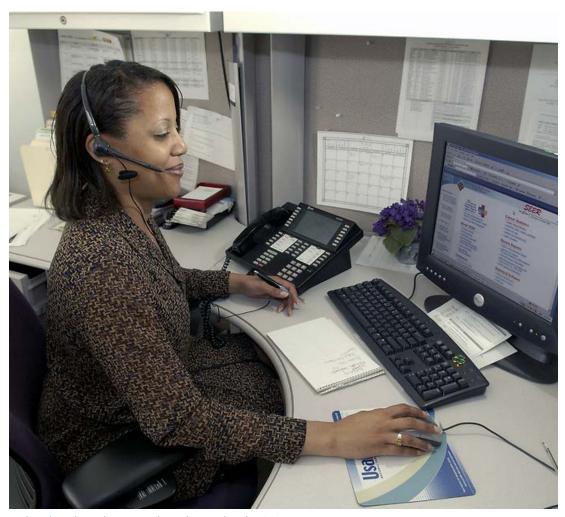
Medicaid Transformation Future

- Physical health and pharmaceutical services will be integrated with behavioral health.
- PHPs will contract with their preferred service providers at predetermined rates.
- PHPs will be responsible for managing costs and for any cost overruns.
- DHHS will oversee the PHPs.



Medicaid Transformation Milestones

Timing	Key Milestones
10/14/19	Day 1 Open Enrollment Final Regions
Mid-November	Approved Budget by General Assembly
Mid-November	Enrollment Reminder Cards
November 15th	Provider Contracts Must be Signed for Inclusion in Auto- Assignment
12/13/19	Open Enrollment Ends
Starting 12/16/19	Auto-Enrollment to PHPs and PCPs
2/1/2020	Standard Plan Effective Date



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- Human Services still will be responsible for determining Medicaid eligibility.
- While an enrollment broker (MAXIMUS) has been hired to assist clients with PHP selection, we anticipate a higher level of service will be sought and Human Services call volume will increase.

 PHPs will be responsible for contracting for non-emergency transportation and don't have to contract with the County. Currently, receiving \$3.15M and estimated that ~20% of those revenues will move to PHPs in the first year with additional funding being lost each year.



- GoWake Access provides approximately 145,000 van trips annually to 3,300 unique clients.
- 800 Clients will transition into managed care in the first phase and Go Wake Access will provide about 12,800 fewer trips as a result.
- GoWake Access will continue providing at least 132,200 trips annually to 2,500 clients until they transition into managed care which is estimated to occur in 2023.

 Other areas that will be impacted include Child Welfare; Health Clinics; Public Health Care Management Programs; Pharmacy; EMS; and Alliance Health Contract.



- Managed care is an integrated, whole person approach to health care intended to enhance quality of services and improve control of medical costs.
- Human Services is currently the medical home for 6500 Medicaid covered children who will transition to managed care.
- Human Services Child Health Clinic is designated as Advanced Medical Home Tier 3.
- Increased focus on monitoring metrics, measuring performance and demonstrating clinical outcomes.
- Enhanced reimbursement available based on ability to meet quality and pay for performance metrics.
- Need to optimize infrastructure for data reporting and tracking.

Medicaid Transformation Steps Taken

Human Services

- Economic Services Division, Call Center, and reception staff in the Public Health Center have been trained to assist clients and callers.
- Temporary Call Center staff added.
- Outreach materials received and distributed.
- Enrollment events hosted.
- Enrollment broker has assigned on-site staff starting on 7/15/19 to provide in person assistance. One at Swinburne, one at Sunnybrook, and one rotating between regional locations.
- Dedicated phone line at Swinburne location in the e-Pass area, first floor.
- Baseline financial analysis, space utilization review and adaptation of business model for clinical services, to align with transformation requirements and improve access to care for high risk, vulnerable populations.
- Held a joint press conference with NCDHHS.



Medicaid Transformation Steps Taken

Emergency Medical Services

- Engaged counsel to review PHP's contract requirements.
- Attended seminars to understand the potential impact on reimbursement.
- Started a dialogue with PHP's to discuss potential compensation for EMS services not currently covered under the fee for service model.

Medicaid Transformation Steps Taken

- Attorney's Office is reviewing contracts with PHPs regarding the provision of Public Health Services, EMS, and Non-Emergency Transportation.
- An internal, multi-department team is evaluating potential shortterm and long-term impacts on Wake County and what critical policy decisions will need to be considered.

Medicaid Transformation Concerns

- Tailored Plan, for individuals experiencing significant mental illnesses, will not be implemented until 2021.
- County at risk for any enrolled individual that it is later determined did not meet eligibility.
- Substance use disorders and intellectual/developmental disorders.
- EMS Issues.