



NC Department of Health and Human Services

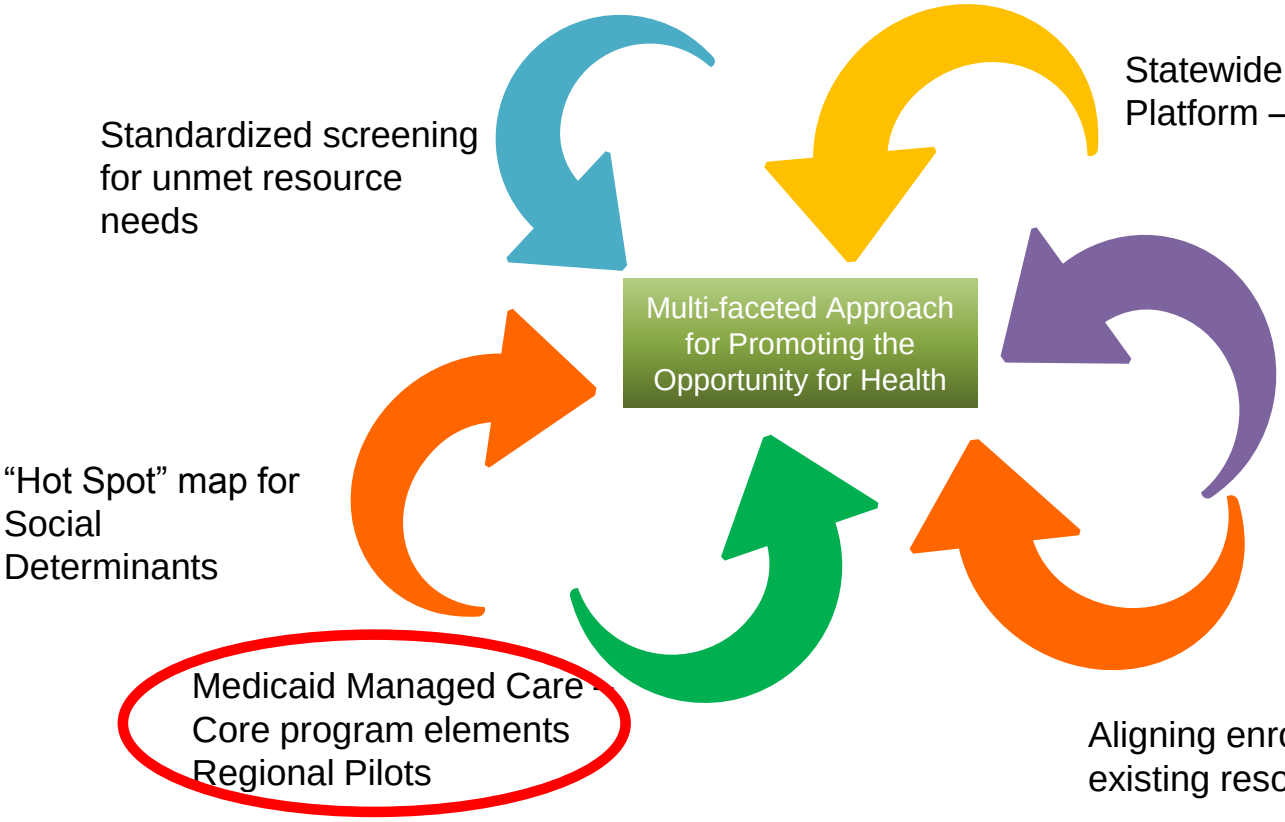
Healthy Opportunities Pilots

All North Carolinians should have the opportunity for health

The opportunity for health begins in our families and communities

The opportunity for health begins where we live, learn, work, pray, and play

Creating a Statewide Framework and Infrastructure



https://www.ncdhhs.gov/about/department-initiatives/healthy-opportunities

Medicaid Transformation Vision

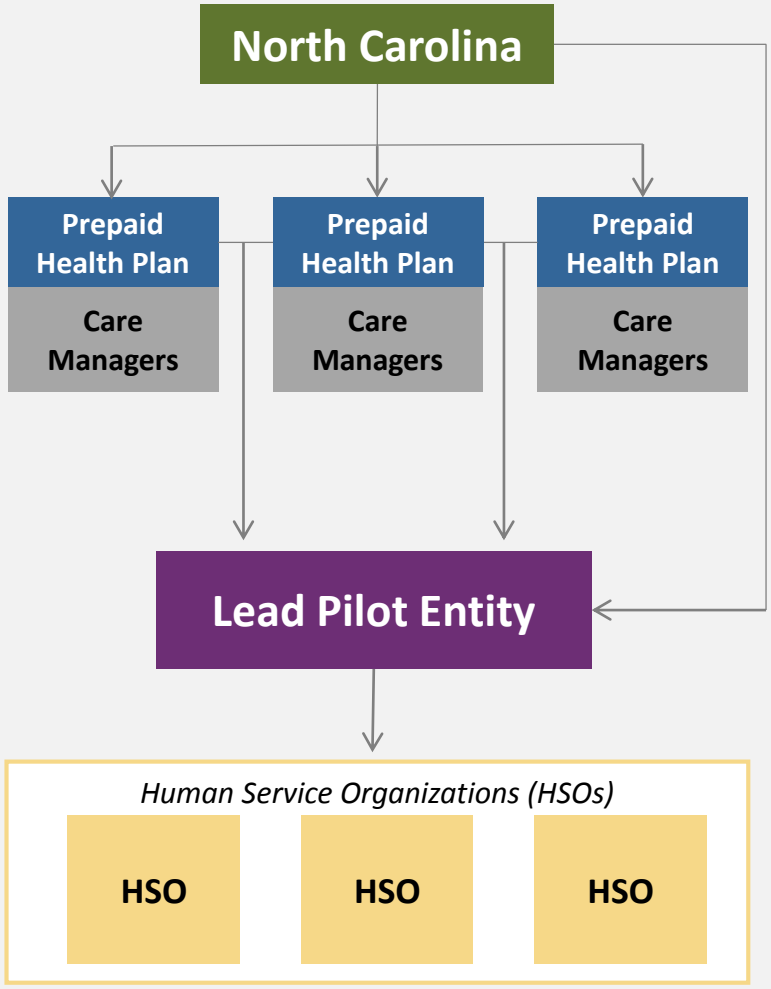
"To improve the health of North Carolinians through an innovative, whole-person centered, and well-coordinated system of care that addresses both the medical and non-medical drivers of health."

Medicaid Transformation – Statewide Core Program Elements

- Care Management
  - Multi-disciplinary team - RN, SW, Housing/Legal Specialist, Community Health Worker
  - Training on Trauma Informed Care, Resource Navigation
  - Standardized screening questions
  - Navigation to resources - Connect to NC Resource Platform/NC Care 360
- Quality Strategy/withhold-based incentives - screening for and addressing social issues;
- Allow health related services (e.g. food) to count as patient care - i.e. in numerator of Medical Loss Ratio (MLR)
- Use of in lieu of services and value-based payments offer tools and strategies to PHPs for financing health-related services
- Possible risk-adjustment or stratification on social risk in future

Healthy Opportunities Pilots: Overview

Sample Regional Pilot



Pilot Overview

- Pilots will test and scale to a population level evidence-based interventions designed to improve health and reduce costs by more intensely addressing food insecurity, housing quality and instability, transportation insecurity, interpersonal violence and toxic stress for eligible Medicaid beneficiaries.
- Key pilot entities include:
  - North Carolina DHHS
  - Prepaid Health Plans
  - Care Managers (predominantly located at Tier 3 AMHs and LHDs)
  - Lead Pilot Entities
  - Human Service Organizations (HSOs)

Population

- **2-4 pilot regions - more than one county, urban and rural, does not need to fill, but cannot cross Medicaid region**
- **Services across all 4 domains (Food, Housing, Transportation, Interpersonal Violence/Toxic Stress)**
- **Eligible Children, Adults, Pregnant Women**
  - **Requires one needs-based criterion and one social risk factor**

Overview of Eligibility For Pilot Services

To be eligible for pilot services, Medicaid managed care enrollees must have:

✓ At least one Needs-Based Criteria:

Physical/behavioral health condition criteria vary by population:

- Adults (e.g., 2 or more chronic conditions)
- Pregnant Women (e.g., multifetal gestation)
- Children, ages 0-3 (e.g., Neonatal intensive care unit graduate)
- Children 0-21 (e.g., Experiencing three or more categories of adverse childhood experiences)

+

✓ At least one Social Risk Factor:

- Homeless and/or housing insecure
- Food insecure
- Transportation insecure
- At risk of, witnessing or experiencing interpersonal violence

*See appendix for full list of eligibility criteria.

Overview of Approved Pilot Services

North Carolina's 1115 waiver specifies services that can be covered by the Pilot. Pilots will not be required to offer all approved services.

Housing

- Tenancy support and sustaining services
- Housing quality and safety improvements
- One-time securing house payments (e.g., first month's rent and security deposit)
- Short-term post hospitalization housing

Food

- Linkages to community-based food services (e.g., SNAP/WIC application support, food bank referrals)
- Nutrition and cooking coaching/counseling
- Healthy food boxes
- Medically tailored meal delivery

Transportation

- Linkages to existing public transit
- Payment for transit to support access to pilot services, including:
  - Public transit
  - Taxis, in areas with limited public transit infrastructure

Interpersonal Violence

- Linkages to legal services for IPV related issues
- Evidence-based parenting support programs
- Evidence-based home visiting services

*See appendix for full list of approved pilot services.

Roles of Pilot Entities

North Carolina's 1115 waiver provides important flexibility to implement the groundbreaking Healthy Opportunities Pilot program in two to four areas of the state over a five-year period.*

PHPs' & Care Managers' Roles & Responsibilities**

- **PHPs:**
  - Must participate in pilot operating within their region
  - Must work with the LPE and its network of HSOs to implement the program.
  - Must manage a capped amount of funding for pilot services
  - Must make final determinations of pilot eligibility and service authorization.
  - Will have discretion to authorize or deny services for eligible individuals, within guardrails defined by State.
- PHPs will leverage **care managers predominantly at Tier 3 AMHs and LHDs** to:
  - Help identify need for pilot services and assess eligibility based on State-developed eligibility criteria
  - Manage pilot services authorization with PHP
  - Work with LPE to refer beneficiaries to and coordinate with HSOs
  - Assess and reassess need for pilot services on an ongoing basis

LPEs' & HSOs' Roles & Responsibilities**

- North Carolina will procure through a competitive bid **Lead Pilot Entities** (LPEs), that will:
  - Develop, manage, provide technical assistance to and oversee the network of community-based organization and social service agencies
  - Convene pilot and community entities to support communication, relationship-building and sharing best practices
- **Human services organizations** (HSOs) that contract with the LPE:
  - Will deliver cost-effective, evidence-based interventions addressing food insecurity, housing quality and instability, transportation insecurity. interpersonal violence and toxic stress.
  - Must be determined qualified to participate in the pilot by the LPE
  - Will submit invoices for services and will be paid by the LPE.
- **NCCARE360** – The NC Resource Platform is expected to be an important piece of the infrastructure

**For more information on the Healthy Opportunities Pilots, please see the Pilot Fact Sheet*

***All entities must participate in data collection and reporting activities to support evaluation and oversight efforts.*

Lead Pilot Entity Role

Lead Pilot Entities (LPEs) will serve as the essential connection between PHPs and HSOs. Two to four LPEs will be selected by DHHS in 2019 through a competitive bidding process.

Key LPE Roles & Responsibilities include:

- **LPEs will need to have s**trong connections to community resources and strong financial and data management abilities
- **Developing an HSO Network:** Recruiting, training, managing and overseeing the network of organizations that deliver pilot services within its pilot area.
- **Convening Key Pilot Stakeholders:** Convening key pilot entities and other stakeholders to promote communication, coordination, and sharing of best practices across partners.
- **Providing Technical Assistance:** Providing technical assistance and expertise to HSOs to ensure their successful participation in the pilot.
- **Advising Care Management Teams**: Advising care managers during care plan development on availability of services and capacity of in-network HSOs
- **Paying HSOs and Providing Financial/ Quality/ Performance Oversight:** Receiving payment from PHPs and, in turn, paying HSOs for services rendered.
- **Collecting and Submitting Data:** Collecting and submitting data for evaluation and program oversight.
- Participate in **Learning Communities** with the other regional pilots

Financing – Public-Private Partnership

- Flexible expenditure authority of up to $650 million Medicaid dollars on specifically delineated CMS approved services delivered to Medicaid enrollees
- Still need approval of state match to utilize the full authority
- PHPs in the pilot regions will receive an additional capped amount for pilot services on top of regular population based capitated rate
- Care managers will make recommendations, but PHPs shall ultimately approve and make payments to Community Based Organizations – most likely through the Lead Pilot Entities for pilot services.
- Private philanthropic investment to cover services not allowed by Medicaid

Defining and Pricing Pilot Services

- Fee schedule
  - Advisory Committee (National and NC Representation
  - RFI to inform fee schedule
- Types of service reimbursements:

Payment Type	Description	Likely Services for Payment Type
Fee-for-service	A rate set prior to service delivery for a discrete service. May include a base rate and adjustments for region, acuity, etc.	Services whose cost may be reasonably calculated in advanced (e.g. medically tailored meals; consultation with specialized social worked)
Cost-based reimbursement	A payment for actual bulled cost of services. May include guardrails such as maximums per beneficiary per type of service.	Services whose prices are set by a contractor (e.g. 1st month's rent and security deposit; extermination of mold remediation services)
Bundled Payment	A rate set prior to service delivery for an estimated bundle of services that may be delivered in a variety of ways depending on beneficiary needs.	- Services provided as part of a longitudinal relationship - Services that meaningfully address a need when provided in complimentary package

Financing – Path to Value

- **Advancing value-based payment**

Year 1	Year 2	Year 3	Year 4	Year 5
Incentive payments for successful implementation	Incentive payments for delivering pilot services	Withhold payments to ensure enrollees unmet resource needs are met	Withhold payments linked to health outcomes	Shared savings payments*

*Costs savings based on subset of pilot enrollees whose services are likely to result in decreased medical expenses in the short-term. Assures pilot entities are not penalized for approving effective, evidence-based upstream interventions that result in a financial return on investment over the longer-term

Evaluation - Rapid cycle/Summative

- Sheps Center/Seth Berkowitz
- Rapid cycle assessments
  - Evaluation throughout pilots to learn in real time and make adjustments
  - Evolving metrics - Operational readiness, service delivery, resource needs met, self-reported quality of life, health outcomes, utilization, cost
- Summative evaluation
  - Health, utilization, and cost savings overall and by sub-groups
  - Determine cost-neutrality and cost-effectiveness of interventions by sub-group
  - Implementation science
  - Learn how to scale interventions that worked into Medicaid statewide

Process/ Timeline

- Early 2019: Request for Information (RFI)
- Mid 2019: Request for Proposals (RFP)
  - RFP will determine LPEs/ Pilot Regions
- Late 2019: Award LPEs/ Pilot Regions
- 2020: Full year of capacity building for LPEs and regions
- January 1, 2021: Begin Service Delivery
- October 31, 2024: End Pilots (at end of 1115 waiver)

Questions