



**Advanced Medical Home Plus (AMH+) and Care Management Agency (CMA)
Tailored Care Management Capacity Building Funds Guidance**
May 31, 2023

To help ensure the successful implementation of Tailored Care Management (TCM), the Department launched the Tailored Care Management Capacity Building program. The distribution of capacity building funds (CBF) to certified TCM providers started in early 2022 and will last through at least June 2024. TCM providers certified as Advanced Medical Home Plus (AMH+) practices and Care Management Agencies (CMAs) are eligible to receive capacity building funding for investments in:

- Care management-related health information technology (HIT) infrastructure ,
- Hiring and training care managers, and
- Activities related to operational readiness (e.g., developing policies/procedures/workflows).

Under the Capacity Building Program, Local Management Entity Managed Care Organizations (LME/MCOs) holding Tailored Plan (TP) or Prepaid Inpatient Health Plan (PIHP) contracts have and will continue to partner with AMH+ practices and CMAs to achieve milestones focused on the above three areas of investment. As a note, for the purpose of this guidance, our remaining references to Health Plans refer to the entities holding either or both PIHP and TP contracts. Capacity Building Funds flow through Health Plans to AMH+ practices and CMAs.

The Health Plans developed a “Distribution Plan” for capacity building funds based on regional needs. The Department reviewed and approved the Health Plan-submitted Distribution Plans, which detailed the specific capacity building needs assessed among AMH+ practices and CMAs in their region. Those distribution plans were developed before implementation of the TCM program and prior to TCM member assignments. *See Table 1 for a complete list of milestones.*

Tailored Care Management was implemented statewide starting on December 1, 2022. Since implementation, TCM providers continue to experience many barriers to successful stabilization of the service. Several of the factors include:

- Technology challenges with initial assignments,
- Data Integrity issues with member contact information,
- More outreach attempts to engage members than expected,
- Fewer member assignments than anticipated,
- Higher than expected workforce costs,
- Fewer billable engagements per month than anticipated,
- Greater intensity of member support needed,
- Higher than anticipated systems/data-related costs

As result, the Department is reviewing several potential approaches to ensuring TCM is viable and effective in meeting member needs long-term. The first step the Department is taking to ensure the success and viability of the program is rolling out additional of Capacity Building Funds for AMH+/CMA providers. The Department’s priorities for this distribution include:

- 99% of the next phase of CBF being distributed to CMA/AMH+ practices.
- Completing distribution of previously allocated funds for any AMH+/CMA meeting qualifying milestones and effectively supporting members.
- Using next phase of funds to stabilize AMH+/CMAs who are effectively supporting members and still struggling to maintain TCM service financial viability.
- Normalizing the amount allocated to AMH+/CMAs to minimize the disparity of amount distributed relative to TCM assignment across community-based providers.

The Department distribute spreadsheet templates that will be pre-populated with information already available in our records for each Plan to complete. For Health Plans to receive their requested funds, they must submit the updated capacity building distribution plan template to the Department at Medicaid.TailoredCareMgmt@dhhs.nc.gov no later than June 5, 2023 at 11:59pm. The completed Health Plan updated distribution plan must include:

- Estimated distribution of the expanded funding by AMH+/CMA provider,
- Estimated % of funds allocated prior to 5/31/2023 which will be distributed to each AMH+/CMA provider by September 30, 2023,
- Written explanation of how any funds allocated prior to 5/31/2023 which will not be distributed to the allocated provider by September 20, 2023 will be reallocated to support the stability of AMH+/CMA providers through June 30, 2024.

Health Plan staff will need to be available to discuss any feedback from the Department on the afternoon of June 6, 2023 in order to meet the deadline for distributions of the expanded funding.

Table 1: Capacity Building Milestones

Milestone 1	Submission of a detailed Distribution Plan that specifies the Tailored Plan’s approach (including quarterly targets) and proposed budget for meeting the remaining capacity building milestones, for DHHS approval <i>Distribution plan will be based on assessment of regional needs</i>
Milestone 2	Submission of a Tailored Care Management training curriculum and conducting trainings for care managers employed by Tailored Plan awardee and contracted AMH+s and CMAs
Milestone 3	Purchase or upgrades of care management related HIT infrastructure and systems for AMH+s/CMAs
Milestone 4	Hiring new care managers and supervisors at AMH+s and CMAs
Milestone 5	Completing Tailored Care Management training for AMH+ and CMA care managers and supervisors
Milestone 6	AMH+s/CMAs meeting other competencies linked to operationalizing Tailored Care Management (e.g., development of policies and procedures and education and outreach to members on the Tailored Care Management outreach)

Capacity Building Funds are available for:

- Care Management Health Information Technology Infrastructure (e.g., CM platforms, computers/laptops/hardware)
- AMH+practices and CMAs may choose to use their capacity building funds to contract with CINs or other partners.
- Staffing (e.g. recruitment, sign-on bonuses, initial salaries, training, retention of current staff)
- Operational readiness (meeting competencies to operationalize TCM e.g. developing policies procedures and workflows and other miscellaneous items)

This document provides answers to recent questions regarding the Tailored Care Management Capacity Building Program. Additional information on the program can be found here: <https://medicaid.ncdhhs.gov/tailored-care-management/tailored-care-management-capacity-building-program>.

Please direct any comments or questions to Medicaid.TailoredCareMgmt@dhhs.nc.gov.