NC DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE

MEDICAL CARE ADVISORY COMMITTEE CALL
MARCH 23, 2016
KIRBY BUILDING, ROOM #297, RALEIGH, NC 27603

The Medical Care Advisory Committee (MCAC) met via teleconference on Wednesday, March 23, 2016 at 3:00 p.m.

ATTENDEES

Members In Person: Gary Massey–MCAC Chair, Dave Richard, Sandra Terrell, Dee Jones, Rob Kindsvatter, Stephen Tedder, Roger Barnes, Linda Rasco, Sarah Pfau, Joel Mercer, Beth Daniel, Krystal Hilton, Mary Rhodes, Pamela Beatty

Telephone: Dr. David Tayloe, William Cockerham, Dr. Marilyn Pearson, Dr. Stephen Small, Dr. Derek Pantiel, Billy West, Samuel Park, Linda Burhans, Thomas Johnson, Ted Goins, David Sumpter, Dr. Paula Cox Fishman, Nancy Henley, John Stancil, Jamal Jones, Julia Lerche, Chris Dacek, Sara Grimsrud, Mary Hermann, Brad Kalkwars, Christine Dubay, Yvonne Stellato, Tracy Colvard, Samuel Clark.

CALL TO ORDER

Gary Massey, MCAC Chair

- Meeting called to order at 3:08 pm with welcoming remarks followed by introduction of participants.
- Thanked each member for taking the time to help complete the process of the 1115 Waiver that is currently being worked on.

OPENING COMMENTS

Dave Richard, Deputy Secretary, DMA

- Expressed appreciation to Gary Massey for serving as the MCAC Chair and to the members for their participation by phone. Emphasized that this is an important time to get feedback in for the Waiver.
- Commented that he and Dee Jones share Secretary Brajer's vision to move towards a new vision for the Medicaid Program. This legislative session offered a bill that is a compromise but good for a North Carolina based solution.
- Dee Jones and her team have worked together draft a waiver that the State is proud of. It reflects North Carolina's values and builds upon our current components taking them to a much higher level.
- We value and respect all citizens of North Carolina who want to be a part of the process. The MCAC have an absolute valued position because they are leaders in the health care field and have been a part of this process for a long time.
- Today, we will provide a high-level walk through of the Waiver and then provide time for comments, said Dave.

1115 REFORM WAIVER UPDATE

Dee Jones, Chief Operating Officer, Division of Health Benefits (DHB)

- We want to build on what is working in North Carolina's legacy of innovative health care solutions:
  - We had the first Office of Rural Health.
  - We are second in childhood immunization.
  - We are an early adopter of the patient centered medical home.
  - We have finished in the black with cash on hand in the last two years and are anticipating a third year in regard to the budget.

The minutes are a synopsis of the MCAC Meeting topics. All items are an update of the program area since the last meeting. Dates vary dependent upon reporting period. Available presentations may be viewed for more details on the DMA Medical Care Advisory (MCAC) web page at: https://dma.ncdhhs.gov/get-involved/committees-work-groups.

Prepared by Mary Rhodes, DMA Policy & Regulatory Affairs

1115 Reform Waiver Update (Cont'd.)

Dee Jones, Chief Operating Officer, Division of Health Benefits (DHB)

- The reform triple aim:
  - Beneficiary engagement
  - Community heath quality improvement
  - Cost prediction
- The State is taking a step further to a quadruple aim:
  - Provider engagement
- We are looking at a better care experience, the quality of care; better community care, the quality of life; better engagement and support for those who provide the services. The end result is a better life experience for the patient.
- There will be twelve public hearings across the state stating March 30, 2016 in Raleigh and concluding April 18, 2016, in Lumberton, NC. The hope is that all citizens that have vested interests will attend. There will be providers, primary care doctors, independent practitioners, hospitals, advocacy groups, long term care facilities, insurance companies and more.
- The initial deliverable on March 1, 2016, was a great team effort. We submitted the Draft Waiver and Report to the Joint Legislative Oversight Committee with specific content. It went public for review on March 2, 2016. The website went live March 8, 2016. The public comments period will last through April 18, 2016. The final 1115 waiver will be submitted to CMS on June 1, 2016.
- After submission to CMS we will start to try implementation of the program. Throughout this process the State will continue to involve the stakeholders with continued dialog.
- An 1115 Wavier is our opportunity as a single state agency to make changes to our Medicaid program. To make a targeted change there needs to be a State Plan Amendment. The Waiver will allow us to make a very broad change to incorporate most of the entire population of beneficiaries in North Carolina -- approximately 1.6 million of the 1.9 million beneficiaries.
- We will submit the application then work on negotiations with CMS which is expected to take 18 months per State law. This is an election cycle which will change administration and impact the Health and Human Services Agency. Education will be provided for Federal Staff and an approved waiver will be done on or about January 1, 2018 with a "go live" date of July 1, 2019.
- Dave Richards added five key things:
  - The State is going from a Fee for Services to a Capitated System for most beneficiaries.
  - The law states we will do three statewide plans and 10 (we are requesting 12) Provider Led Entities that are regionally based in six regions.
  - Plans **can** be commercial but do not have to be.
  - The provider led entities **must** be provider led and **cannot** be commercial.
  - We will have an opportunity to test what works better.
- The current LME/ MCO system does not change in the waiver. They will continue to exist, as the law describes, for four years after the "go-live" capitation. They will not go under PLE's or commercial plans.
- Duel eligibles are exempted from these plans currently. We are required to report back to the General Assembly in January 2017 with a plan to bring duel eligibles into the capitated system. A duel eligibles committee will be formed for the report.
- Dentals are also exempt.
- The state requested the following exemptions:
  - Emergency Medicaid beneficiaries (those who don't stay on Medicaid) should not be on capitated services.
  - PACE individuals are exempted since their plan is already capitated.
  - EBCI, per Federal requirement, have requested that their members not be required to be in the plan with an Opt-In.
  - Medicaid services provided inside of local education agencies are exempt because they are fully funded through local education agencies.
  - CBSA (our early intervention program that is run by the Division of Public Health) is also exempt.

- The state also recommended that families who have lost their children to foster care not lose rehabilitation services and other eligibility services when the child(ren) have been removed from the home. This will help solidify reunification.
- We are making the shift from patient centered to person centered as the next level to accommodate the community and avoid further Medicaid costs. This is more about the patient experience and holding the providers more responsible.
- Outcome measures:
    - Better experiences for patients
        - Aligned outcomes for the organizations
        - Make providers responsible
    - Better health in communities
        - Person centered health at the individual level and incorporate the whole community
        - Revise benefits for rural communities
        - One incentivized statewide plan that specializes in foster care (not a required plan but a specialized plan)
    - Provider engagement Support
        - This is the aim that will set North Carolina apart with allowing the care about providers
    - Care transformation
        - We are working with the hospitals and consultants to provide the ability to support hospitals and other health care providers
        - Information in the waiver is still being worked on.
- Beneficiaries will be able to pick from up to five plans; three statewide plans and up to two PLE's in a region; providers will be able to contract with any plan. There will be an independent enrollment broker that will work with the beneficiaries to educate them. Beneficiaries will pick a provider that will best serve their needs at the DSS; if they do not pick one they will be assigned. Also, if they do not pick a plan they will be automatically assigned one based on their PCP, other providers and specialists that they use. Access standards and waiting times will be considered as well in the auto assignment, said Dee.
- If we lose providers, we have not done something right; we want to add providers. We don't want providers to be measured five different ways or supported in five different ways; this is all be taken into account. Along with one payment.
- There will be no closed networks and we will have statewide analytics tools. The only time a provider will not be allowed in a Network would be for quality reasons over time.
- After capitation there is another twelve month process for a full transition.
- The state is also working on the Innovation Center; legislation requires that we submit a report May 1, 2016 in advance of the waiver submission.
- This report will be a high level report requiring a look at Innovation Centers in Oregon and other states to work toward a solution that is best for North Carolina.
- Some of the goals of the Innovation Center is to help create central areas for technology and data. Quality and performance measures will be born here, but it will not necessarily be brick and mortar but virtual.
- Dave opened the floor for other DHHS staff to comment or ask questions.
    - Gary Massy asked if the Innovations Center is currently operational. Dee responded that the center will be operational some date down. Data collection will be on the front end for a baseline.

PHONE COMMENTS

- David Tayloe said many are having a difficult time seeing how 15 different pre-paid health plans will not increase administrative burdens and how it will reduce access to care. Currently there is one center for claims and he feels it needs to be addressed.
    - Dave reiterated that we are required by legislation to have the options and that we are focused on how to minimize these issues.

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PHONE COMMENTS (CONT'D.)

- Paula Cox Fishman asked how are providers being picked regarding quality measures and accountability?
    - Dave repied that the law requires that providers come into the plan as long as they meet certain quality standards. The MCO's and/or PLE's will hold the providers responsible and the state will hold the plans responsible through lessons learned.
- Derek Pantiel commented that patients are being seen in the office and in specialized care centers; the waiver does not give a breakdown about differences in those services.
    - Dave responded that there are somethings that will not be put in the waiver but will be in the contractual requirements and the RFP.
    - David Tayloe asked if there is any thought of incorporating CCNC or CCNC-like organization for all the PHP's? Dave replied, yes.
    - Sam Clark said we should look into a centralized billing system. Dave agrees it should and will be addressed.
- Steven Small, David Taylor, Christine Dubay & Derek Pantiel – Concerned about strategies and access to care in larger cities vs smaller cities and hospitals/ ERs having to take the overflow of offices not wanting to take Medicaid patients. Some providers are going to take insured patients vs Medicaid patients due to payment percentages.
    - Dave said auto assignment issues are being looked at and cleaned up. We are also looking for new thought processes around the issues. This is a high priority.
- Dave reminded everyone to submit issues in writing and reiterated his thanks to every committee member and public comments/questions.

PUBLIC COMMENTS

NONE

REMINDERS/ACTION ITEMS

- Gary Massey – The next meeting will be April 15, 2016 at the McKimmon Center, more information will be forthcoming.
- A schedule of the public hearings will be sent as well; please make an effort to attend.
- All comments/recaps should be emailed to Pamela Beatty (pamela.beatty@dhhs.nc.gov).

ADJOURNMENT

- Meeting adjourned at 4:23 pm.

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