



**MEDICAL CARE ADVISORY COMMITTEE (MCAC)
TELECONFERENCE MEETING MINUTES
10:30 AM– 12:30 NOON
SEPTEMBER 18, 2020**

Teleconference: Dial-in No.: 866-390-1828 (Access Code: 4586030)

The MCAC Meeting was held via teleconference on Friday, September 18, 2020 at 10:30 a.m. - 12:30 p.m.

ATTENDEES

MCAC Members: Gary Massey, MCAC Chairman

MCAC Members via Telephone: Marilyn Pearson, MCAC Vice Chair, Kim Schwartz, Samuel Clark, David Tayloe, III, Benjamin Smith, Steven Small, Ivan Belov, Casey Cooper, Billy West, Jr., Thomas Johnson, Ted Goins, David Sumpter, Paula Cox Fishman, Benjamin Koren, Jenny Hobbs, William Cockerham

MCAC Interested Parties via Telephone: Tara Fields, George R Cheely Jr, Valerie Arendt, Crystal Shank, Lee Dobson

DHB Staff: Dave Richard, Jay Ludlam, Debra Farrington, Adam Levinson, Shannon Dowler, Kelsi Knick, Shazia Keller, Michael Leighs, Andrea Phillips, Pamela Beatty

CALL TO ORDER

Gary Massey, MCAC Chair

- Chair Massey called the MCAC meeting to order at 10:30 a.m. followed by a roll call of the members. Pamela Beatty declared a quorum. Chairman Massey entertained a motion to approve the June 19, 2020 MCAC meeting minutes. Minutes were approved by the Committee. Chairman Massey directed attention to the Written Clinical Policy Report and State Plan Amendments (SPA) list included in the meeting packets for comments.

OPENING REMARKS:

Dave Richard, Deputy Secretary, NC Medicaid

Dave expressed appreciation to the MCAC members for their incredible commitment; noted that the Department wants their ideas and input. Dave stated that good things are happening in North Carolina even though the COVID pandemic has changed the way we all are working. It has helped the Department to think about things differently and how we can improve our Medicaid program in North Carolina.

- Announced our next MCAC Meeting will be held via Microsoft Teams to allow us to see each other again.
- There have been many questions regarding Provider rate increases. Provider rate increases are important and will continue throughout the calendar year and/or as long as possible. The Medicaid budget will be monitored closely to ensure we are within our budgetary limits.
- Dave highlighted the meeting agenda items and presentations that would be shared during the meeting by Medicaid staff.

MEDICAID MANAGED CARE UPDATE

Jay Ludlam, Assistant Secretary, NC Medicaid

Jay presented significant Medicaid Managed Care Highlights:

- As a result of the passage and signing of Senate Bill 808 (Medicaid Funding Act) by Governor Cooper, the Department is restarting Managed Care (MC) activities and is committed to implementing MC on July 1, 2021.
- The Department is adjusting the MC project to include health equity and will collaborate with the Health Plans to support its efforts to address health equity across North Carolina.

- All five health plans will be launched in all regions on July 1, 2021: AmeriHealth Caritas, Healthy Blue, United HealthCare, WellCare, and Carolina Complete Health. There will not be a two-phased approach.
- Important milestone; the Office of Administrative Hearings (OAH) ruled in the Department's favor regarding the health plans that applied with the State and did not win a contract. There was no factual basis for the protesting.
- The six regional breakdowns of Managed Care were highlighted. Carolina Complete Health is operating in Region 3, 5 & 4. The other four plans have a statewide footprint and will operate in all six regions.
- The Department is working with the Eastern Band of Cherokee Indians to develop a PCCM model which is also called the "Tribal Option". Casey Cooper and team will implement this model in Region 1 on July 1, 2021.
- **Medicaid Transformation Timeline**
 - Open Enrollment (3/15/21 – 5/14/21)
 - Auto Enrollment (5/15/21)
 - Tribal Option & Managed Care Launch (7/1/21)
 - End of Choice Period (9/29/21)
- The Department has established a project management organizational structure, which overlaps with Medicaid structures today, to represent issues during transformation. Many activities will be taking place including updates to our website and marketing materials over the next couple of months.

BEHAVIORAL HEALTH I/DD TAILORED PLANS UPDATE

Kelsi Knick, Deputy Director, Behavioral Health I/DD Tailored Plans

- Kelsi provided a refresher on the Standard Plans and the BH I/DD Tailored Plans:
- Standard Plans will serve the majority of the non-dual Medicaid population; estimated enrollment is expected to be 1.6 to 1.8 million of our non-duals into the standard plan in July 2021.
- BH I/DD Tailored Plans are designed to serve individuals with specific complex needs including serious emotional disturbances, severe substance use disorders, and those with Traumatic Brain Injury (TBI) as well as those with intellectual and developmental disabilities (I/DD).
- BH I/DD Tailored Plans will be the only plans to offer our current Medicaid Waiver Services: 1915(b)(3), 1915(c) Innovations and TBI waiver and State funded services.
- The Department will release the BH/IDD Tailored Plan Request for Application in November 2020 and anticipates awarding the Tailored Plan contracts before the MC launch in July 1, 2021. Legislation allows the Department to award between five and seven contracts.
- Behavioral Health/IDD Tailored Plans and Tribal Option will launch in July 2022.
- Kelsi presented a side-by-side comparison of the two plans and their key differences. The biggest difference between the two plans is contracting. The Standard plans accept any willing provider. Tailored plans accept any willing provider for physical health and is a closed network for behavioral health.
- In 2021, DHHS will conduct regular data reviews to identify an individual's eligibility for the Tailored Plan.
- Individuals on the waitlist for NC Innovations can be enrolled in the Standard Plan or the Tailored Plan.
- Lastly, Kelsi stated the Department worked hard to be transparent with its vision, ideas, and the design process. Many design papers were posted for comments as well as public webinars, stakeholder and town hall meetings with DHHS officials and staff were held. Stakeholders' feedback helped to shape the overall design of the BH/IDD Tailored Plan Request for Application (RFA).
- Chairman Massey opened the floor for questions or comments.
 - Paula Cox Fishman, MCAC Member, asked if services for individuals in a tailored plan will be coordinated through the LME/MCOs? Kelsi responded; the Tailored Plan in an individual's catchment area will provide their services; they will not have a choice. Dave added this was mandated by legislation.
 - Benjamin Smith, MCAC Member, asked how will MC impact pharmacy reimbursements? Jay will follow up directly with Benjamin.
 - Steven Small, MCAC Member, inquired about the mechanism for provider enrollment for tailored plan patients under the new MC scheme. If someone in a Tailored Plan shows up in the Emergency Department, with whom do we contract to receive payment? As it is now, we send one bill to Medicaid for all services. Once we go to MC there will be five and potentially a 6th plan (Tailored Plan). Concerned there is going to be a 6th entity and no one understands how we are supposed to contract with them before the go live date. Dave Richard expounded on this issue and stated we have to do more work in communicating this.
 - Billy West inquired about the status of the care management agency application. Kelsi responded; we are working on revamping that schedule. Billy asked that the following comments be reflected in the minutes and that the Department keep these credentialing problems in mind to avoid a bottleneck of patients not getting care due to credentialing to go live.

- **“Credentialing** overhead cost and denials due to credentialing design already cost behavioral health providers tens of thousands of dollars per location/provider. Adding private managed care companies with congruent credentialing process to the existing public managed care companies’ duplicative process will further increase overhead costs and loss of revenue due to services being delivered by a non-credentialed provider. The problem is that patients move across catchment areas/county lines. Credentialing takes time, money, and is not retroactive. We cannot turn a patient down in crisis, when it is medically necessary or when a stakeholder needs help. Billy stated his concern is that COVID has taken any revenue margins we had away and we cannot continue this practice. This problem is going to soon balloon beyond behavioral health providers and the network at large will be forced to cease providing services for thousands of patients that travel across catchment areas when Transformation goes live.
- **Rates:** We have a rate issue that very well might undermine all of our good work. Asked if the Department could give some clear direction on rate schedules, what state dollars are available to spend and a directive on how these state dollars are to be spent.

MEDICAID BUDGET UPDATE

Adam Levinson, Chief Financial Officer, NC Medicaid

- Enrollment (not including family planning): Small decline for last year but picked up severely with COVID.
- Medicaid average membership forecasted to grow 8% through 2021. The largest increase will be in TANF Children.
- Overall, enrollment increased approximately 7% between January and Aug.
- NC Medicaid SFY 2019-20: Actuals vs. Budget: SFY 2019-20, appropriations expenditure for Medicaid & Health Choice was \$116 million or 3% less than budgeted.
- Significant growth in spending due to COVID rates and policy changes to maintain beneficiaries’ access to care. The Department will have the FMAP Bonus through the end of December 2020.
- Actual Spending v. Forecast as of September 1, 2020: Medicaid is 12.9% below forecasted spending.
- Chairman Massey asked if there are any proposals to continue the FMAP increases states are enjoying now. Adam replied; we are hopeful that the public health emergency might be extended. If so, the Families First Act FMAP will be extended by 90 days and available to us through March 2021. Dave further elaborated on the subject.

NC MEDICAID COVID-19 RESPONSE UPDATE

Shannon Dowler, Chief Medical Officer, NC Medicaid

- Following the COVID pandemic, the flexibilities listed below were enacted by teams across Medicaid in seven weeks. The Department is hoping to keep many of these as permanent changes.
 - Total Temporary Pandemic Flexibilities: 367
 - Telehealth Flexibilities: 135
 - Codes Impacted: 482
 - Permanent Telehealth Policies: 34
- Shannon provided a high-level overview of each COVID flexibilities and utilization. NC Medicaid subject matter experts proposed to the Executive Team which flexibilities they believe will strengthen our Medicaid program and should remain on after the pandemic. The Department hopes to keep all temporary provisions on until the end of December 2020 which is when our FMAP ends. Some of our special waiver authorities end with the public health emergency.
- Weekly updates are being given to the provider community about what the Department is doing along with examples of what is/not working with the recent changes. This communication will continue into MC and include: Fireside chats (1st Thursday) and Clinical Policy Updates (3rd of each month).
- In partnership with CCNC and AHEC, the Department will kick off a “Keeping Kids Well Initiative” to increase childhood immunization rates across our Medicaid populations in August 2020.
- The Department posted for one day its telehealth policy for public comments.
- Bulletin announcing NC Medicaid’s coverage of antigen testing will be available next week.
- Announcement will be made next week regarding rate extensions through the end of October
- Kim Schwartz, MCAC Member, extended kudos to the Department for the heavy lift, constant communication, and troubleshooting during the pandemic. Kim acknowledged that virtual telehealth visits require more time and it is really challenging trying to obtain referrals, engagement for the services that patients need, and getting reimbursed. Kim asked the Department to keep in mind the equity of this issue and that people are trying to be efficient and achieve good outcomes.

DIRECT CARE WORKFORCE CRISIS

Ted Goins, MCAC Member

- The Direct Care Workforce Crisis Workgroup met in August 2020 and discussed the additional funding providers received. Much of the funding is going to staff wage increases and bonuses, which is much needed, testing, and staff shortages.
 - Adam Sholar and Eric Kivisto, North Carolina Health Care Facilities Association, working through Future Care, received a grant for 2.4 million from the Civil Money Penalties (CMP) fund for Caregiver NC to recruit 4,000 new CNAs into NC nursing homes.
 - The Paraprofessional Healthcare Institute (PHI) is preparing to do a pilot study of training and employment for home health and personal care aides in three states that include North Carolina. The NC Coalition on Aging is will be the lead organization for that study and want to collaborate with our Workforce Crisis workgroup.
 - The State has been extremely helpful and supportive with temporary regulatory changes; i.e., granting reciprocity for CNAs. Approximately 675 CNAs have been granted reciprocity.
 - Lastly, Matthew James with Verizon shared an innovative model to recruit and train direct care workers in the developmental disability community, which is another area that is suffering.

PUBLIC COMMENTS

- Brendan Riley, Director of Policy , North Carolina Community Health Center Association expressed excitement regarding the telehealth initiatives and analyses. Mr. Riley called attention to the removal of the one-day amended telehealth policy that was posted for comments on the Medicaid website. Brendan stated he was looking forward to reviewing it. Shannon Dowler ensured him that the modified version will be reposted.
- Pam Perry, Carolina Complete Health, asked if the MCAC Subcommittees related to Medicaid Transformation will continue now that MC has restarted. Pam also inquired about the Member Ombudsman contract timeline that was originally due to be finalized in September 2020. Jay replied, he does not know which or if any of the subcommittees will resume and will follow up. Regarding, the Member Ombudsman contract, the Evaluation Committee is finalizing the recommendations and we do anticipate an award soon.

CLOSING REMARKS

- Chair Massey thanked everyone for their participation. Announced the next MCAC Meeting is scheduled for December 11, 2020. Chair Massey reminded the Committee that the Department is continuing to look for candidates to serve on the MCAC in Congressional District 10. Encouraged the committee members to provide future meeting ideas/items that the MCAC would like to be informed about and involved in as the Department thinks about year 2021.

MEETING ADJOURNED