Contracting with Health Plans

NC Medicaid

It is important to contract with Health Plans in advance of NC Medicaid Managed Care launch on July 1, 2021

North Carolina is transitioning its Medicaid and NC Health Choice program to managed care. Most beneficiaries will choose one of five Health Plans or the EBCI Tribal Option, and a primary care provider (PCP). Those who do not make a choice will be auto-enrolled in a plan. Health Plans will then assign beneficiaries to a primary care provider in their network. ***For inclusion in the Medicaid and NC Health Choice Health Plan and Provider Lookup Tool for open enrollment, provider Health Plan contracts must be signed and mailed to the Health Plan by Feb. 1, 2021. For inclusion in auto-enrollment, Health Plan and EBCI Tribal Option contracts must be signed and mailed to the Health Plan by April 12, 2021.***

The open enrollment and auto-enrollment deadlines allow Health Plans to process provider contracts and ensure that providers can be paid. This typically takes **at least** two to three weeks, but it may take longer. Additional time is then needed to transmit information to the Department for inclusion in the provider directory for open enrollment and in the auto-enrollment process. PCPs need to contract with Health Plans in a timely fashion to avoid losing patients as Health Plans will assign beneficiaries to in-network providers.

Providers who do not contract with Health Plans in a timely fashion may also miss out on the ability to earn per member per month (PMPM) payments through the Advanced Medical Home (AMH) program.

ARE PROVIDERS REQUIRED TO CONTRACT WITH ALL HEALTH PLANS?

No. While we encourage providers to contract with each Health Plan, providers can contract with as many or as few as they desire. However, providers who contract with fewer Health Plans risk losing patients and AMH payments as Health Plans will only assign beneficiaries to providers in their network.

WHAT ARE THE HEALTH PLANS' CONTRACTING RESPONSIBILITIES WITH PROVIDERS?

The Department expects Health Plans to negotiate with any willing provider in good faith regardless of provider or Health Plan affiliation[1]. Health Plans may only exclude eligible providers from their networks if the provider refuses to accept network rates.

Providers can contact Health Plans to check on the status of a contract. Contracting contacts for Health Plans can be found at https://medicaid.ncdhhs.gov/health-plans/health-plan-contacts-and-resources.

[1] Means, as defined in Section 5. (6) d. of Session Law 2015-245, the objective standard that Health Plan can apply when determining if to refuse a contract to a provider during the credentialing process. Health Plan Contract, Section III.A.87

WHAT ARE THE HEALTH PLANS RESPONSIBILITIES WITH MEDICAID TIER 3 AMHS?

Health Plans are required to contract with all willing AMH Tier 3 practices located in each Health Plan's region.[1]

WHAT PAYMENTS CAN PROVIDERS AND AMHS EXPECT FROM THE HEALTH PLANS?

- Health Plans must reimburse physicians and physician extenders no less than 100 percent of Medicaid fee-for-service rates unless they have mutually agreed to an alternative arrangement.[2]
- In addition to fee-for-service payments, Health Plans must make directed payments to AMH participating providers.[3]
- All AMHs will receive PMPM Medical Home Fees with amounts varying by Tier and category of beneficiary.
- Tier 3 AMHs receive an additional, negotiated Care Management Fee from Health Plans in exchange for taking on additional care management responsibilities.
- Many AMH practices will also be eligible to earn negotiated Performance Incentive Payments. These payments are optional for AMH Tier 1 and 2 providers. Health Plans are required to offer opportunities for such payments to AMH Tier 3 providers.

HOW WILL PATIENTS CHOOSE OR BE ASSIGNED TO A *HEALTH PLAN*?

- Beneficiaries will have the option to choose a Health Plan during the open enrollment period. As a provider, it is important that all office staff know which plans you participate with and to encourage your patients to self-select their Health Plan and PCP to avoid auto assignment.
- Open enrollment will begin in all 100 counties on March 15, 2021 and ends statewide on May 14, 2021.
- Beneficiaries may choose a Health Plan based on personal preference, coverage options, value added benefits, or whether their preferred provider(s) are in-network.
- Beneficiaries who do not actively choose a Health Plan will be automatically enrolled in a Health Plan based on an algorithm developed by the Department. **Auto-enrollment is scheduled to begin on May 15, 2021.**
- Auto-enrollment is based on:
    1. Where the beneficiary lives
    2. Whether he or she is a member of a special population
    3. Historical provider-beneficiary relationship and preference
    4. Health Plan assignments of other family members
    5. Previous Health Plan enrollment within the past 12 months
    6. Equitable Health Plan distribution
- For a provider to be considered in the algorithm for Health Plan auto-enrollment, the provider needs to have signed and mailed their contract to the Health Plan by **April 12, 2021**.

HOW WILL PATIENTS CHOOSE OR BE ASSIGNED TO A *PCP*?

- It is the Health Plan's responsibility to ensure that each beneficiary has a PCP. Beneficiaries will have the opportunity to select their PCP or will be assigned one by the Health Plan. Beneficiaries who actively enroll with a Health Plan during open enrollment will have the opportunity to select a PCP from a list of contracted providers.
- **PCP auto-assignment will occur shortly after Health Plan auto-enrollment (i.e., mid-May 2021).** For auto-assignment the Health Plan must consider prior PCP assignment and beneficiary claims history within the past 12-18 months, family member PCP assignment, family member claims history, geography, special medical needs, and language/cultural preference.[4]

[1] Health Plan Contract, Section V.C.6.b.iii.a
[2] Health Plan Contract, Section V.D.4.d.i.
[3] Health Plan Contract, Section V.D.4.p
[4] Health Plan Contract, Section V.C.6.c.iii

WHAT IS THE SIGNIFICANCE OF PCP ASSIGNMENT?

- Primary and preventative care is central to Medicaid's care delivery system. Each member should have a 'hub' of care-- a primary care medical home that helps ensure a member receives all preventive and primary care and that specialty care is coordinated.
- For those medical home services, certain PCPs (AMHs) receive monthly Medical Home payments for assigned patients. AMH Tier 3s are also eligible to receive monthly Care Management payments for assigned members. All AMHs are also eligible for Performance Incentive Payments for achieving quality scores.
- All PCP's are still eligible for regular fee-for-service payments from Health Plans for primary care patient visits even if the patient is not assigned to them as a primary care medical home (AMH).

WHAT DEADLINES DO PROVIDERS NEED TO KNOW?

Providers may contract with one or more Medicaid Health Plans at any time; there are no deadlines for participation as a Medicaid or NC Health Choice provider with the following exceptions:

- Providers need to have signed contracts with Health Plans by **Feb. 1, 2021,** to be included in the initial release of the Medicaid and NC Health Choice Health Plan and Provider Lookup Tool for open enrollment.
- Providers need to have signed contracts with Health Plans by **April 12, 2021** to be included in PCP auto-enrollment.

WHAT HAPPENS IF I CONTRACT WITH A HEALTH PLAN AFTER THE DEADLINES?

- Providers may execute contracts with one or more Health Plans at any time.
- Providers who do not execute contracts with one or all Health Plans in time for open enrollment (i.e., no later than **Feb. 1, 2021**) will not be listed at the beginning of open enrollment in provider directories used by beneficiaries when selecting a Health Plan.
- Providers who do not execute contracts with one or all Health Plans in time for auto-enrollment (i.e., no later than **April 12, 2021**) will not receive any auto-assigned patients from those Health Plans in the initial assignment.
- Beneficiaries can change PCP assignment following auto-assignment (described above), but the beneficiary must request such a change from the Health Plan directly.

Fact Sheets will be updated periodically with new information. Created OCTOBER 2019, updated DECEMBER 2020.
For more information, please visit https://www.ncdhhs.gov/assistance/medicaid-transformation