

Fact Sheet

Introduction to Medicaid Transformation: Part 1 – Overview

County Playbook: NC Medicaid Managed Care

What is Medicaid Transformation?

Medicaid Transformation is changing the way most people receive Medicaid services. In 2015, the NC General Assembly enacted Session Law 2015-245, which directed the Department of Health and Human Services (DHHS) to transition Medicaid and NC Health Choice from fee-for-service to Managed Care.

Under the fee-for-service model, DHHS reimbursed physicians and health care providers based on services provided or procedures ordered. This model will now be known as **NC Medicaid Direct**. Some people will stay in NC Medicaid Direct.

Under Managed Care, the State has contracted with insurance companies, called Prepaid Health Plans (PHPs) or health plans. Health plans are paid a capitated rate, which is a pre-determined set rate per person to provide health care services. This model is known as **NC Medicaid Managed Care**. Health plans manage the health care for approximately 1.6 million of the current 2.3 million Medicaid beneficiaries in North Carolina.

In addition, DHHS has contracted with the Cherokee Indian Hospital Authority (CIHA) to support the Eastern Band of Cherokee Indians (EBCI) in addressing the health needs of American Indian/Alaskan Native Medicaid beneficiaries. This new delivery system, the **EBCI Tribal Option**, manages the health care for North Carolina's approximate 4,000 Tribal Medicaid beneficiaries primarily in Cherokee, Graham, Haywood, Jackson, and Swain counties.

CHANGES FOR MEDICAID BENEFICIARIES

NC Medicaid Managed Care will bring changes for most Medicaid beneficiaries.

- Medicaid services will be administered and reimbursed by health care options, including health plans and the EBCI Tribal Option.
- Beneficiaries will be able to choose a health care option and primary care provider (PCP). A new support system will be available to help beneficiaries make a choice.

- Medicaid services will not change, but some health care options may offer added services to members.
- Medicaid eligibility rules and processes **will not** change because of Medicaid Transformation.

Local Departments of Social Services (DSS) will have materials to share with beneficiaries about the changes. Current beneficiaries will receive information by mail that outlines actions to be taken, when to take those actions, and who they can contact for assistance.



KEY TERMS YOU SHOULD KNOW

ELIGIBILITY refers to whether a person qualifies for Medicaid or NC Health Choice.

ENROLLMENT is the process of joining a health care option that is responsible for that person's Medicaid health coverage.

BENEFICIARY refers to a person who is eligible for Medicaid or NC Health Choice. Once a beneficiary enrolls in a health care option, he or she becomes a **MEMBER** of that health care option.

STANDARD PLANS are health plans that provide integrated physical and behavioral health services.

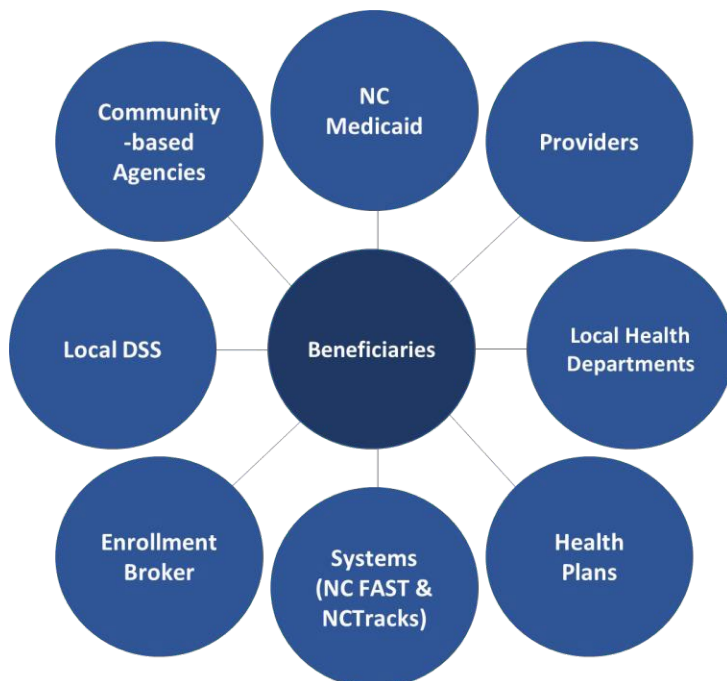
TAILORED PLANS are health plans that provide integrated physical and behavioral health services for members with mental health disorders, substance use disorders, intellectual/developmental disabilities (I/DDs) or traumatic brain injuries (TBIs). Tailored Plans are expected to launch July 1, 2022.

EBCI TRIBAL OPTION is a primary care case management entity (PCCMe) that provides health care services for federally recognized tribal members and others who qualify for services through Indian Health Service (IHS).

MUST ENROLL	CANNOT ENROLL	MAY ENROLL
Required to enroll in a health plan.	Stay in NC Medicaid Direct.	May enroll in a health plan or stay in NC Medicaid Direct.
<ul style="list-style-type: none"> Most families and children Children who get NC Health Choice Pregnant women People who are blind and disabled and do not get Medicare (MANDATORY)	Family Planning Program, Medically Needy, Health insurance Premium Payment (HIPP), Program of All-Inclusive Care for the Elderly (PACE), Refugee Medicaid (EXCLUDED*)	<ul style="list-style-type: none"> Federally recognized tribal members or others who qualify for services through Indian Health Service (IHS) (EXEMPT)

*Some beneficiaries are temporarily excluded and become mandatory later. This includes dually-eligible Medicaid/Medicare, Foster Care/Adoption, Community Alternatives Program for Children (CAP-C), and Community Alternatives Program for Disabled Adults (CAP-DA).

KEY PARTNERS AND THEIR ROLES



Beneficiaries are at the center of the transition to NC Medicaid Managed Care. Partners need to work together to support beneficiaries during the transition.

- **NC Medicaid:** Provides NC Medicaid Direct supervision and oversight of health care options and other partners
- **Local DSS:** Determine Medicaid eligibility, update beneficiary information, and Medicaid eligibility case management
- **NC FAST & NCTracks:** Transmit beneficiary information; NC FAST remains the system of record for beneficiary information
- **Enrollment Broker:** Acts as an unbiased, third-party entity to provide enrollment assistance and help in choosing a health care option and PCP; provides outreach and education to beneficiaries
- **Health Care Options:** Provide health care and ensure related services are available to their members; inclusive of health plans and the EBCI Tribal Option
- **Providers:** Contract with health care options; must be enrolled as a Medicaid and/or NC Health Choice provider
- **Local Health Departments:** Provide services under NC Medicaid Direct and may contract with health care options for some services
- **Community-based Agencies:** Disseminate information to help educate the public on changes to Medicaid and provide feedback to DHHS from clients they serve
- **NC Medicaid Ombudsman:** Resolves beneficiary issues and directs beneficiaries to the right resource

WHAT DOES MEDICAID TRANSFORMATION MEAN FOR YOU?

The local DSS will be impacted by Medicaid Transformation. As with beneficiaries, many things will stay the same, but some things will change. This playbook is one tool to help you understand what is changing. NC Medicaid will continue to provide training for each local DSS to help you stay informed and learn how to help beneficiaries.

DSS Directors should be aware of timelines associated with Medicaid Transformation and ensure that related information and communications (like these Fact Sheets) are shared with county partners and staff. All staff who interact with beneficiaries should be aware of Medicaid Transformation and the changes it brings. Directors can contribute to the success of this initiative by ensuring staff participate in upcoming Medicaid Transformation training, interact and collaborate with Enrollment Broker County Liaison Specialists and PHP DSS Liaisons and champion this change.

DSS Program Managers and Supervisors have a similar role. We encourage you to provide staff with opportunities to participate in training, discuss upcoming changes with your teams and work to understand the role of the Enrollment Broker and health care options. Share

information and materials with your staff as it becomes available and participate in Medicaid Transformation training.

DSS Direct Line Staff should actively participate in training and be prepared to answer beneficiary questions related to Medicaid Transformation. You will not know all the answers – the best customer service you can provide is to direct beneficiaries and members to the right place. A goal of NC Medicaid is to support you with the information you need.

Please make a point to update contact information at **every interaction** with beneficiaries! NC FAST will remain the system of record for beneficiary information. Keeping addresses up-to-date is very important.

Please see below for a summary of how the role of the local DSS will change.

More information on key dates and milestones within Medicaid Transformation are provided in the **Introduction to Medicaid Transformation: Part 2 – Enrollment & Timelines Fact Sheet**.

County DSS will CONTINUE:



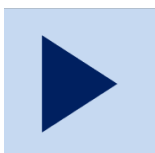
- Processing Medicaid applications, changes, and redeterminations.
- Generating replacement Medicaid cards for NC Medicaid Direct and EBCI Tribal Option members.
- Providing Non-Emergency Medical Transportation (NEMT) services for NC Medicaid Direct and EBCI Tribal Option members.
- Updating Primary Care Provider (PCP) for NC Medicaid Direct and EBCI Tribal Option members.

County DSS will NOT be responsible for:



- Choice counseling to help beneficiaries choose a health plan.
- Enrolling beneficiaries in health plans.
- Providing NEMT services for Prepaid Health Plan (PHP) members.
- Updating health plan or PCP for PHP members.
- Generating replacement health plan ID cards for PHP members.

County DSS will START:



- Referring beneficiaries to the Enrollment Broker for health plan choice counseling and enrollment assistance.
- Referring beneficiaries to their health plan for PCP updates, NEMT, and other requests related to their health plan.

PRIORITIES FOR DAY 1 OF MANAGED CARE

In the transition to an innovative Managed Care program, NCDHHS' priority for day 1 is that individuals get the care they need, and providers get paid.

- A member's prescription will be filled by the pharmacist.
- Members know their chosen or assigned health plan.
- Members have timely access to information and are directed to the right resource.
- Health plans have sufficient networks to ensure member choice.
- A provider enrolled in Medicaid prior to the launch of NC Medicaid Managed Care will still be enrolled.
- Calls made to call centers are answered promptly.

Fact Sheets will be updated periodically with new information. Created 12/7/2020.
For more information, please visit medicaid.ncdhhs.gov/transformation.