WRITTEN SECTION REPORTS

REPORT PERIOD MARCH 1 - MAY, 2023

1. Policies Presented to the N.C. Physician Advisory Group (PAG)

The Pharmacy & Therapeutic Committee met on 03/14/2023, 04/11/2023, 05/09/2023
The N.C. Physician Advisory Group met on 03/23/2023, 04/27/2023, 05/25/2023

Recommended Clinical Coverage Policies

- 8H-4, 1915 Respite (New Policy) – 03/23/2023
- 8D-5, Clinically Managed Residential Services Action (New Policy) - 04/27/2023
- 8H-5, 1915 Community Living and Supports Action (New Policy) - 04/27/2023

Recommended Pharmacy Criteria

- Prior Approval Criteria- Cystic Fibrosis- 03/23/2023
- Prior Approval Criteria- Hematinics-03/23/2023
- Prior Approval Criteria- Lupus Medications-03/23/2023
- Prior Approval Criteria- Monoclonal Antibodies-03/23/2023
- Prior Approval Criteria- Topical Anesthetics-03/23/2023
- Prior Approval Criteria- Continuous Glucose Monitors (CGM)-03/23/2023
- Prior Approval Criteria- Cialis-04/27/2023
- Prior Approval Criteria- Emflaza-04/27/2023
- Prior Approval Criteria- Epi-Pen-04/27/2023
- Prior Approval Criteria- Topical Antifungals-04/27/2023
- Prior Approval Criteria- Topical Antihistamines-04/27/2023
- PDL- Semi-Annual Changes-05/25/2023

PAG Notifications

- 3H-1, Home Infusions Therapy – 03/23/2023
- 1L-1, Anesthesia Services – 04/27/2023
- 8N, Intellectual and Developmental Disabilities Targeted Case Management (Termination) – 04/27/2023

2. Pharmacy Items Posted for Public Comment

- 2023 Preferred Drug List - -05/30/2023 - 07/14/2023

Clinical Coverage Policies Posted for Public Comment

- 11B-9, Thymus Tissue Transplantation - 03/15/2023 - 04/29/2023
- 3H-1, Home Infusion Therapy - 04/10/2023 - 05/10/2023
- 8H-6, Community Transition (*New Policy) - 04/10/2023 - 05/25/2023
- 1K-7, Prior Approval for Imaging Services (Termination) - 05/11/2023 - 06/11/2023
- 8N, Intellectual and Developmental Disabilities Targeted Case Management (Termination) 05/11/2023 - 06/26/2023
- 8H-4, Respite (New Policy) - 05/19/2023 - 07/03/2023
- 8H-3, Individual and Transitional Support (New Policy) - 05/19/2023 - 06/03/2023

3. New or Amended Policies Posted to Medicaid Website

- 1A-19, Transcranial Doppler Studies - 3.1.23
- 1K-1, Breast Imaging Procedures - 3.1.23
- 1R-4, Electrocardiography, Echocardiography, and Intravascular Ultrasound - 3.1.23
- 5A-3, Nursing Equipment and Supplies - 3.1.23
- 8C, Outpatient Behavioral Health Services Provided by Direct-Enrolled Providers - 3.1.23
- 15, Ambulance Services - 3.1.23
- 1H, Telehealth, Virtual Communications, and Remote Patient Monitoring - 3.15.23
- 1S-4, Genetic Testing - 4.15.23
- 3A, Home Health Services - 4.15.23

New or Amended PA Criteria Posted

None

4. Durable Medical Equipment and Supplies, and Orthotics & Prosthetics (DMEPOS)

DME policy 5A-3, Nursing Equipment and Supplies was promulgated March 1, 2023, with an effective date of Feb 1, 2023, with updates summarized as follows:

a. Added coverage for in-line digestive enzyme cartridges coded B4105 with medical necessity criteria, but without PA review.
b. Added coverage for electric breast pumps and supplies coded A4281, A4282, A4283, A4284, A4285, A4286, E0603, E0604, and K1005, with medical necessity criteria and PA review.
c. Added coverage for incontinence, ostomy, and urinary catheter supplies coded A4315, A4434, A5081, A5082, A5083 and A5112.
d. Increased quantity limits in alignment with Medicare for ostomy supplies coded A4371, A5056 and A5057.
e. Updated descriptions for covered HCPCS codes A9276, A9277 and A9278, and added new adjunctive continuous glucose monitor codes A4238 and E2102 in compliance with the CMS HCPCS code annual update.
f. Updated Attachment A, Section F, Place of Service to 04-homeless shelter, 12-home, 13-assisted living facility, 14-group home, 33-custodial care facility, 34-hospice, in alignment with NCTracks configuration.

For additional detail, please see the Medicaid Bulletin article here:
https://medicaid.ncdhhs.gov/blog/2023/03/01/updates-clinical-coverage-policy-5a-3-nursing-equipment-and-supplies

The DME fee schedule was updated to include purchase and capped rental rates for previously manually priced HCPCS codes E0300, E2227, E2228, E2312, E2313, and E2378.

5. Outpatient Specialized Therapies/Local Education Agencies (LEAs)

Updated CCP 10A template language due to North Carolina Health Choice Program's move to Medicaid. Policy posted 4/15/2023 with an effective date of 4/1/2023.

- Updated CCP 10B template language due to North Carolina Health Choice Program's move to Medicaid. Policy posted 4/15/2023 with an effective date of 4/1/2023.

- Updated CCP 10C template language due to North Carolina Health Choice Program's move to Medicaid. Policy posted 4/15/2023 with an effective date of 4/1/2023.

- Updated CCP 10D template language due to North Carolina Health Choice Program's move to Medicaid. Policy posted 4/15/2023 with an effective date of 4/1/2023.

6. Behavioral Health IDD Section

IDD/TBI

- CCP 8F Research Based Behavioral Health Treatment for Autism Spectrum to add adults to the policy - public comment period has ended. Comments are being reviewed and policy will be posted soon.

MH/SUD

- Revised CCP 8C, Outpatient Behavioral Health Services policy posted to the DHHS website on April 1, 2023. Revisions consist of adding ASAM training language and Screening, Brief Intervention, and Referral to Treatment (SBIRT) to the policy; and selecting additional psychological services were made eligible to be provided via telehealth.

- Revised CCP 8J, Children's Developmental Service Agencies posted to the DHHS website on April 1, 2023. Revisions included Diagnostic Assessment and select Outpatient Behavioral Health services as being eligible to be provided as telehealth or telephonically or both.

- 1915(i) draft CCP 8H, Individual and Transitional Support Policy was amended to address public comments and to integrate the 1915 (b)(3) Intensive Recovery Support services for those with substance use disorders. It is currently posted for 15-day comments until 6/03/2023.

- 1915(i) draft CCP 8H-2, Individual Placement and Support Policy (IPS) Public comments are being reviewed and policy amended. Will be reposted for a 15-day comment period.

- 1915(i) draft CCP 8H-6, Community Transition - The 45-day comment period ended 5/25/2023. Public comment is being reviewed.

- 1915(i) draft CCP 8H-4, Respite is posted for Public Comments through 7/3/23.

- 1915(i) draft CCP 8H-5, Community Living and Supports was approved by PAG and is anticipated to post in the near future for a 45-day comment period.

- 1915(i) draft CCP 8H-1, Supported Employment policy draft is in development, and we hope to present it to PAG in June or July.

- CCP 8A-9 Opioid Treatment Program (OTP) draft – revisions were made based on public comment received during the 45-day public comment period. The policy draft will be posted for an additional 15-day public comment period. The State Plan Amendment is being reviewed by CMS.

- CCP 8D-5 Clinically Managed High-Intensity Residential Services (adolescents, adults, pregnant and parenting women) (ASAM 3.5) – policy was presented to the Physician's Advisory Group (PAG) on April 27, 2023. The draft policy was approved by PAG. The policy will be posted for a 45-day public comment period.

- CCP 8D-6 Medically Monitored Intensive Inpatient Services (ASAM 3.7) – stakeholder engagement webinars are scheduled for June 14 and June 15 to review draft policy.

- CCP 8B Inpatient Behavioral Health Services **-** As a part of NC's 1115 SUD Waiver implementation, policy was amended to align with The American Society of Addiction Medicine (ASAM) Criteria: Treatment Criteria for Addictive, Substance-Related, and Co-Occurring Conditions (Third Edition, 2013). The final policy is scheduled to post on June 1, 2023. Policy amendment includes:
  - ❖ Addition of an attachment for The ASAM Level 4, Medically Managed Intensive Inpatient Services.
  - ❖ Revision of the attachment for The ASAM Level 4-WM, Medically Managed Intensive Inpatient Withdrawal Management Services; and
  - ❖ Language added to indicate that providers changing licensure categories or opening a new facility will have one year from Centers for Medicare and Medicaid Services (CMS) certification to achieve accreditation through the Joint Commission.

Waiver/SPA Updates:

We are working with CMS on changes to the 1915(b) and 1915(c) Innovations and TBI waivers as well as the 1915(i) SPA due to the delay of TP launch. 7/1 amendments to the Innovations, TBI, and (b) waivers have been submitted to CMS. 10/1 changes to the Innovations and TBI waivers will be posted for pubic comments with amendments to include permanent Appendix K flexibilities as well as TP launch. 10/1 amendment to the (b) waiver will include TP launch.

- We continue to work with CMS on our 1915(i) SPA.

- Four (4) Stakeholder Engagement Webinars/Sessions were conducted for the10/1/2013 Innovation and TBI Amendments. Also held an IDD Stakeholder meeting to review the draft changes.

Ongoing monitoring of the Standard Plans (SP) continues to ensure compliance with the contract and federal/state regulations with collaboration from the Managed Care Oversight team.

- The in-house report used to support the monitoring efforts for the Prepaid Health Plan (PHP) Provider Network Files (PNFs) continues to be utilized for validation of identified data errors, specifically with providers who are not active in Medicaid remaining on the PNFs for longer than 1 business day.
- Corrective Action Plans (CAPs) opened in March 2022 to address non-active providers who remain on the PHP PNFs, and therefore in the PHPs' networks, for greater than 1 business day included having the Plans submit monthly self-audits to report on their errors. Two of the SPs are now in compliance, however the other 3 received an Additional Action Notice of Deficiency (NOD) and had a Liquidated Damage (LD) assessed for failure to remove those providers. All 3 of their CAP responses were accepted. Reporting encounter data on each non-active provider was added as a newly required component of the PHPs' self-audits.
- The Provider Team and the Managed Care Oversight team are collaborating on final details for an LD for Provider Welcome Packets that are not sent to providers within 5 calendar days of contract execution. Currently, 4 Standard Plans have trending issues of non-compliance with this requirement and were issued NODs this quarter.

For Behavioral Health and Intellectual/Developmental Disability (BH/IDD) Tailored Plan and Medicaid Direct LMEMCO (Prepaid Inpatient Health Plan, PIHP) managed care programs, the Provider Operations team:

- Continues to review and approve all Provider Operations post-contract award inbound deliverables, meeting bimonthly and individually, as needed, with the Tailored Plans/PIHPs to assist with Provider Operations-related questions and issues that arise during implementation, as well as provide technical support and guidance for the BH I/DD and Medicaid Direct contracts. The Medicaid Direct LMEMCO launch has gone smoothly for Provider Ops.
- Provider Operations is working with the Readiness Team to prepare for the follow-up Tailored Plan Onsite Reviews this summer. The Provider Session Guide is complete.
- Continues to work on the development and approval of TP and PIHP Medicaid Direct Business Procedures and monitoring processes.
- The Managed Care team has been working on audits of the PIHP Provider Directories for all health plans and collaborating with the Tech team to open and resolve Tech Ops Incident tickets. Both teams are meeting with each PIHP for support and guidance as needed. Audits of the TP Provider Directories for Primary Care Providers (PCPs) have been initiated in anticipation of the PCP Member Choice period coming in July.

The Medicaid Provider Ombudsman received 1,227 cases directly through the Provider Ombudsman Listserv during this quarter. The team responded directly to 258 of those and worked to assign other cases to the appropriate business owner including the PHPs, General Dynamics Information Technology/NC Tracks, or an operational unit within DHB. The Provider Ombudsman follows up with the business owner if a case has aged for 7 days or more and open cases are also monitored bi-weekly through closure. Trends continue to be tickets related to Claims/Finance and Provider Enrollment.

In addition, our NC Area Health Education Center (AHEC) provider engagement and technical support partner reported completing 3,895 contacts to rural and independent primary care provider practices this quarter. AHEC's regional based coaches aid practices through multiple channels including virtual meetings, on-site visits, telephone conversation, or e-mail communication.

The Provider Data Management/Credentialing Verification Organization (PDM/CVO) project is progressing as Optum was chosen as the Vendor. The kickoff meeting was held on April 20th with over 100 attendees, which included the department, the vendor, sister agencies, other business partners, and CMS. Optum was hosted onsite April 25th-26th to kick off our Strategic Alignment Session, and several sessions have taken place with the final session scheduled for May 31st. Additionally, the JPAS (Joint Planning Alignment Session) kickoff is scheduled for June 5th with a core set of participants from the State and Optum.

Provider Operations has been actively involved in the following external audit activity during this time:

- SFY 2023 OSA Single Audit
    - Audit kicked off on 4/10/2023.
    - Response to initial Request for Information was submitted to Audit on 5/2/2023.
- RY2023 PERM (*Payment Error Rate Measurement*)
    - Audit Closed on 4/15/2023
    - Provider Operations was cited for deficiencies on (2) Providers in instances where the Lexis Nexis Background Check was either not conducted at all or not fully completed by GDIT.
- 2023 EAGLE Audit (*Enhancing Accountability in Government through Leadership and Education*)
    - Testing phase of Audit kicked off on 5/1/2023.
    - Response to initial Request for Information was submitted to Audit on 5/10/2023.

Monitoring the Fiscal Agent's performance of provider enrollment and termination, as well as the performance of vendors, contractors, and health plans was carried out in accordance with our Provider Operations' Monitoring Plan to ensure approved providers meet qualification requirements and ineligible providers are terminated in a timely manner. As part of this effort, Provider Operations monitored:

- 279 licensure disciplinary actions imposed by 19 N.C. licensure boards
- 402 notifications from four N.C. Divisions (Health Services Regulation, Aging and Adult Services, Social Services and Public Health)
- 42 notifications from the Centers for Medicare and Medicaid Services (CMS For Cause)
- 166 provider applications processed by our Fiscal Agent
- 60 monthly LexisNexis background checks

NC Medicaid's Fiscal Agent reports certain provider termination action to CMS, the U.S. Department of Health, and Human Services (HHS-OIG) and the National Practitioner Databank (NPDB) in accordance with federal and state regulations. During this quarter Provider Operations monitored the following number of actions to ensure they were reported timely and accurately:

- 18 actions reportable to CMS
- 2 action reportable to HHS-OIG
- 8 actions reportable to NPDB

NC Medicaid's Fiscal Agent is responsible for initiating provider screenings, site visits, and initial enrollment online training, which is conducted by Public Consulting Group (PCG). During this quarter, Provider Operations monitored 30 Site Visits and 30 On-line Trainings to ensure compliance with state and federal rules and regulations.

The Provider Operations' Monitoring Plan also requires management quality control review of monitoring activities conducted by its staff including, but not limited to the activities listed above. During this quarter, management reviewed 365 items.

With the federal Public Health Emergency (PHE) ending on May 11, 2023, there have been many efforts made to inform and engage providers regarding the return of reverification (also known as recredentialing). Although applications for the Voluntary Reverification Program continue to process, the option to submit them is closed. As of May 8, 2023, 6312 applications were submitted: 4502 (71%) approved, 52 (1%) denied, 746 (12%) withdrawn, 87 (1%) abandoned, remaining are pending. When required reverification activities resume. our Fiscal Agent, GDIT, will host a special process for clearing the nearly 30,000 providers whose reverification was delayed due to the

federal PHE. Between May 12th and Thanksgiving, GDIT will send 1,019 letters each week to providers requiring them to reverify their NCTracks record. This will come with adverse action to those providers that do not comply. The above-mentioned activities run alongside staff involvement in provider communication and engagement activities, the development of new Division initiatives, and continued partnering and vendor management activities, which include the fiscal agent (GDIT), Enrollment Broker, and PCG.