

## WRITTEN SECTION REPORTS

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# CLINICAL POLICY AND PROGRAMS REPORT

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REPORT PERIOD SEPTEMBER 1 – NOVEMBER 30, 2022

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

The Pharmacy & Therapeutic Committee met on 09/13/2022 and 10/11/2022

The N.C. Physician Advisory Group met on 09/22/2022, and 11/10/2022

### Recommended Clinical Coverage Policies

- 15, Ambulance Services - 09/13/2022
- 1E-6, Pregnancy Management Program - 09/13/2022
- 8F, Research Based Behavioral Health Treatment - 09/13/2022
- 8H-3, Individual and Transitional Support (new policy) - 09/13/2022
- 8H-2, Individual Placement and Support (new policy) - 09/13/2022
- 5A-3, Nursing Equipment and Supplies - 11/10/2022
- 8A-9, Opioid Treatment Program (new policy) - 11/10/2022

### Recommended Pharmacy Criteria

- Prior Approval Criteria- Immunomodulators Siliq-09/13/2022
- Prior Approval Criteria- Immunomodulators Stelara Infusion-09/13/2022
- Prior Approval Criteria- Immunomodulators Stelara-09/13/2022
- Prior Approval Criteria- Immunomodulators Xeljanz XR-09/13/2022
- Prior Approval Criteria- Immunomodulators Cibirgo-09/13/2022
- Prior Approval Criteria- Immunomodulators Olumiant-09/13/2022
- Prior Approval Criteria- Immunomodulators Rinvoq-11/10/2022
- Prior Approval Criteria- Immunomodulators Skyrizi-11/10/2022
- Prior Approval Criteria- Immunomodulators Xeljanz-11/10/2022
- Prior Approval Criteria- Immunomodulators Cimzia-11/10/2022
- Prior Approval Criteria- Immunomodulators Enbrel-11/10/2022
- Prior Approval Criteria- Immunomodulators Enspryng-11/10/2022
- Prior Approval Criteria- Immunomodulators Entyvio-11/10/2022
- Prior Approval Criteria- Immunomodulators Inflectra-11/10/2022
- Prior Approval Criteria- Immunomodulators Ilaris-11/10/2022
- Prior Approval Criteria- Immunomodulators Ilumya-11/10/2022
- Prior Approval Criteria- Immunomodulators Kevzara-11/10/2022
- Prior Approval Criteria- Immunomodulators Kineret-11/10/2022
- Prior Approval Criteria- Immunomodulators Siliq-11/10/2022
- Prior Approval Criteria- Immunomodulators Renflexis-11/10/2022
- Prior Approval Criteria- Immunomodulators Simponi-11/10/2022
- Prior Approval Criteria- Immunomodulators Simponi Aria-11/10/2022
- Prior Approval Criteria- Immunomodulators Tremfya-11/10/2022
- Prior Approval Criteria- Immunomodulators Uplinza-11/10/2022
- Preferred Drug List Semi Annual Changes-11/10/2022

## **PAG Notifications**

- 1E-5, Obstetrical Services - 09/13/2022
- 3G-1, Private Duty Nursing for Beneficiaries Age 21 and Older - 11/10/2022
- 3G-2, Private Duty Nursing for Beneficiaries Under 21 years of Age - 11/10/2022

## **2. Clinical Coverage Policies Posted for Public Comment**

- 8B, Inpatient Behavioral Health Services: 09/02/2022 - 09/16/2022
- 8A-5, Diagnostic Assessment: 11/04/2022 - 12/19/2022
- 1E-5, Obstetrics: 11/08/2022 – 12/08/2022
- 1E-6, Pregnancy Management Program: 11/08/2022 - 12/23/2022
- 2A-1, Acute Inpatient Services: 11/09/2022 - 12/09/2022

## **Pharmacy Items Posted for Public Comment**

- Prior Approval Criteria- Lupus Medications (reposted for additional comment): 11/18/2022 - 12/18/2022
- Prior Approval Criteria- Nexlitol and Nexlizet: 11/08/2022 - 12/23/2022
- Prior Approval Criteria- Immunomodulators Stelara: 11/08/2022 - 12/23/2022
- Prior Approval Criteria- Monoclonal Antibodies: 11/08/2022 - 12/23/2022
- Prior Approval Criteria- Medications to treat Opioid Dependence: 11/08/2022 - 12/23/2022
- Prior Approval Criteria- Migraine Calcitonin Gene-Related Inhibitors: 11/18/2022-01/02/2023
- Prior Approval Criteria- Sedative Hypnotics: 11/18/2022-01/02/2023
- Prior Approval Criteria- Topical Local Anesthetics: 11/18/2022-01/02/2023
- Behavioral Health Clinical Edits (Adult): 10/12/2022-11/26/2022
- Behavioral Health Clinical Edits (Pediatrics): 10/12/2022-11/26/2022
- PDL Changes: 11/21/2022-01/05/2023

## **3. New or Amended Policies Posted to Medicaid Website**

- 1A-5, Child Medical Evaluation and Medical Team Conference for Child Maltreatment – 9/1/22
- 1H, Telehealth, Virtual Communications and Remote Patient Monitoring - 10/01/2022
- 3A, Home Health Services - 10/01/2022
- 3B, PACE (Program of All-Inclusive Care for the Elderly) - 10/01/2022
- 3D, Hospice Services - 10/01/2022
- 9, Outpatient Pharmacy Program - 10/01/2022
- 10A, Outpatient Specialized Therapies - 10/01/2022
- 10B, Independent Practitioners (IP) - 10/01/2022
- 1A-15, Surgery for Clinically Severe or Morbid Obesity – 11/01/2022

## **New or Amended PA Criteria Posted**

- Prior Approval Criteria-Palivizumab (Synagis)- 09/20/2022

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

1. DME policy 5B, Orthotics and Prosthetics completed 45-day public comment period and is being prepared for promulgation with updates summarized as follows:
  - a. Added coverage for lower extremity prosthetic code K1022 and removed outdated spinal orthotic code L0430.
  - b. Podiatrists added as prescribing and rendering providers for appropriate foot, ankle, and other lower extremity HCPCS codes.
  - c. Updated lifetime expectancies, quantity limits and age limits for clarity throughout.
  - d. 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.

2. DME policy 5A-3, Nursing Equipment and Supplies was approved by PAG Nov 10, 2022, with proposed updates summarized as follows:
  - a. Adding coverage for in-line digestive enzyme cartridges coded B4105 with medical necessity criteria, but without PA review.
  - b. Adding 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. Adding coverage for incontinence, ostomy, and urinary catheter supplies coded A4315, A4434, A5081, A5082, A5083 and A5112.
  - d. Increasing quantity limits in alignment with Medicare for ostomy supplies coded A4371, A5056 and A5057.
  - e. Updating 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.

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

### **Clinical Coverage Policy 10-A, Outpatient Specialized Therapies:**

An updated version of CCP 10-A, Outpatient Specialized Therapies, with an amended and effective date of October 15, 2022, was posted to the [NC Medicaid Clinical Coverage Policy web page](#). This update included:

- Addition of Section 3.2.1.3 e. Telehealth, which clarifies language for telehealth guidance for speech therapists who reference the overarching specialized therapies clinical policy 10-A, so they can access telehealth with the same guidance as therapists who reference CCP 10-B, which was already approved by the PAG process, bringing the policies in alignment.
- Addition of a reference in Attachment A, Section C., to CCP 10-B for covered CPT codes for professional billers who utilize policy 10A (there are no CPT codes listed in 10-A).

### **Clinical Coverage Policy 10-B, Independent Practitioners, Outpatient Specialized Therapies:**

An updated version of CCP 10-B, Independent Practitioners, with an amended and effective date of October 1, 2022, was posted to the [NC Medicaid Clinical Coverage Policy web page](#). This update included:

- In Section 3.2.1.3 e.1., removed the criteria, “access to transportation is inconsistent” from the telehealth service delivery for speech therapy, which was previously approved by the PAG. This was identified as an error because Medicaid ensures necessary transportation per federal requirement. Clinical policy should not have documented transportation is inconsistent, as this does not align with the Medicaid State Health Plan and 42 CFR 431.53.

## 6. **Long-Term Services and Supports (LTSS)**

No report this quarter.

## 7. **Behavioral Health IDD Section**

### **IDD/TBI**

- Home and Community Based Standards Final Rule – Statewide Transition Plan was posted for public comment and submitted to CMS.
- CCP 8F Research Based Behavioral Health Treatment for Autism Spectrum disorder went to PAG to add adults to the policy.

### **MH/SUD**

- Mobile Crisis Grant: No cost extension was approved by CMS. The planning grant work will continue until Sept 2023 with a focus on: agency specific evaluations for agencies providing MCM services; a MCM

Academy that will focus on structural and organizational requirements that support high quality MCM services; and training that covers best practices in harm reduction.

- CCP 8A-5 Diagnostic Assessment was posted on Nov 4, 2022, for a 45-day public comment period. The comment period will end Dec 19, 2022.
- (i) option policies Individual and Transitional Support Proposed Policy and Individual Placement and Support Proposed Policy were approved during PAG in Sept and will post for a 45-day public comment period in November.
- Opioid Treatment Program Amended Policy went to PAG in November.
- CCP 8B posted for an additional 15-day public comment period due to changes made after the 45 day public comment posting. Posting ended 9/16/2022. Additional feedback has been reviewed.

**Waiver/SPA Updates:**

- 1915(b) waiver has been updated for TP launch and to add (i) option services and is posted for public comment.
- 1915(c) waivers (Innovations and TBI) have been updated for TP launch are posted for public comment.
- 1915(i) SPA has been submitted to CMS and includes the following services: Community Transition, Community Living and Supports, Respite, Supported Employments, Individual and Transitional Supports.
- Mobile Crisis Management SPA has been approved by CMS.

# PROVIDER OPERATIONS REPORT

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Provider Operations continues to be heavily involved in the development and monitoring of managed care programs, and in both internal and external audit activities to ensure the accuracy and timeliness of any work in which we are involved. The following is a summary of some of the more prevalent work activities from the most recent quarter.

For Standard Plans (SP), monitoring and collaboration with Managed Care Oversight team continues to ensure compliance with contractual, as well as federal and state regulations. More specifically:

- An internally developed report supports monitoring of the PHP Provider Network Files (PNFs) to identify data errors and providers who remain contracted with health plans but are no longer active in NC Medicaid. These providers are required to be removed from the PNF within 1 business day.
- Corrective Action Plans (CAPs) were opened for four SPs in Spring 2022 to address errors on the PHP Network Files (PNFs) included a requirement that health plans submit monthly self-audits to report on their errors and progress. Although one of the four health plans is now in compliance, the other 3 CAPs must be extended and will now include a liquidated damage (LD) for failure to remove providers not active in NC Medicaid from their PNFs.
- The Provider Operations team is working with the Managed Care Oversight team on the development of a new LD targeting missing PHP Network Files that are necessary to be submitted to the Department's fiscal agent daily by 5pm to ensure accuracy in provider directories across systems and the appropriate assignment of NC Medicaid beneficiaries.
- Overall, the completed integration of the updated Provider Enrollment File as well as the development of an internal reconciliation report allows for more efficient and effective monitoring of Standard Plan provider participation.

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 submitted by the Tailored Plans/Medicaid Direct LMEMCOs. The team continues to meet weekly and individually with the health plans to assist with Provider Operations-related questions and issues, as well as to provide technical support and guidance for the associated contract.
- Partnered with other business units to release the approved Medicaid Direct LMEMCO (PIHP), set to launch on April 1, 2023; as well as the amended BH/IDD Tailored Plan contract, which was released in September.
- Participated in Readiness Review by completing Round 3 of the Onsite Readiness Review. Live demonstrations continue to ensure the availability and accuracy of health plan operations.
- Continues collaborations with the Provider Operations Audit team to work on the development and approval of internal TP and Medicaid Direct LMEMCO Business Procedures and monitoring processes.

The Provider Data Management/Credentialing Verification Organization (PDM/CVO) project remains in the silent period as the process of selecting a vendor continues.

The Stakeholder Engagement team participated in the review of a new Healthy Opportunities Pilot Communications Workplan as well as the development of member stories and bulletin content. This content will soon become a newsletter slated to be published beginning December 2022 with the goal of promoting the Pilots and services available to eligible members.

Our NC Area Health Education Center (AHEC) provider engagement and technical support partner reported completing 2,870 contacts to rural and independent primary care provider practices during 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 Medicaid Provider Ombudsman received 625 cases through the Provider Ombudsman Listserv this quarter. All cases were touched, with the team responding directly to 120 cases and assigning other cases to the appropriate business owner including the health plans, General Dynamics Information Technology/NCTracks, or another operational unit within NC Medicaid. The Provider Ombudsman team follows up with the business owner if a case has aged for 7 or more days and closely monitors all open cases through closure. Trending topics for provider inquiries are consistently related to Claims/Finance and Provider Enrollment.

Recently, in response to deficiencies cited in the 2022 EAGLE and OSA 2022 SFY Single Audit, CAPs were implemented to address these findings and prevent future occurrences. A summary and status of each is provided below.

#### 2022 EAGLE Audit Findings

- PHP Network Validation Report – DHB had not reviewed the PHP Network validation report weekly as prescribed in the business procedure for 2 of the 4 months tested by Audit.
- DHB does not identify providers in the PHP network that are not enrolled in Medicaid and as a result, the PHPs do not address the non-participating providers and Medicaid beneficiaries are served by providers that have not been properly screened. CAP item summary:
  - Worked internally to improve the validation report used to monitor non-enrolled NC Medicaid providers contracted with a health plan and closed any gap in monitoring. Consistently reviewed the appropriate monitoring log in Management Monitoring to ensure there are no disruptions in monitoring.
  - Conducted quarterly code reviews of the new internal validation report to ensure there is no disruption to the generation of the report.

#### OSA 2022 SFY Single Audit Findings

- Due to the volume of duplicates identified in the monitoring logs, there was a control deficiency finding. CAP item summary:
  - The cause for the oversight of duplicates during monitoring was human error. In addition to monitoring more samples from each month to satisfy the number of duplicates, Provider Operations instituted multiple layers of oversight within this area, which did not previously capture this error.
  - Mandated retraining occurred for each monitoring effort to remediate and prevent this issue in the future. In addition to retraining, Provider Operations has added an additional level of oversight of the whole process under Internal Quality Assurance and implemented targeted monthly monitoring of specified areas by the Provider Operations Audit team.

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

- 2022 Office of State Audit (OSA) Single Audit
- 2022 Enhancing Accountability in Government through Leadership and Education (EAGLE)
- 2023 Enhancing Accountability in Government through Leadership and Education (EAGLE)
- RY2023 Payment Error Rate Measurement (PERM) Audit
- 2021 Office of Inspector General (OIG) Risk Assessment Audit
- Office of Internal Auditor (OIA) Follow-up to 2019, 2020 and 2021 Single Audit Findings
- CMS On-Site Review

Monitoring the Department's fiscal agent performance of provider enrollment and termination, as well as the performance of other vendors, contractors, and health plans was carried out in accordance with our Provider Operations' Monitoring Plan to ensure approved providers meet qualification requirements and that ineligible providers are terminated in a timely manner when they fail to meet NC Medicaid program standards.

During this quarter, Provider Operations monitored the following to determine if the actions taken by the referenced entities impacted a provider's NC Medicaid participation:

- 201 licensure disciplinary actions imposed by 19 N.C. licensure boards
- 249 notifications from four N.C. Divisions (Health Services Regulation, Aging and Adult Services, Social Services and Public Health)
- 5 notifications from the Centers for Medicare and Medicaid Services (CMS)

In addition, 100 provider applications processed by our Fiscal Agent were monitored to ensure proper approval, denial and termination decisions were rendered; and 60 monthly LexisNexis background checks were monitored to ensure our Fiscal Agent took proper action on provider records.

The Department'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 12 actions reportable to CMS and 2 actions reportable to the NPDB to ensure they were reported timely and accurately.

The Department's fiscal agent is responsible for initiating provider screenings, site visits, and online training, which is conducted by Public Consulting Group (PCG). During this quarter, 30 site visits and 30 on-line trainings were monitored to ensure compliance with state and federal rule 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 424 items.

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.