# WRITTEN SECTION REPORTS

**REPORT PERIOD DECEMBER 1, 2021 THROUGH FEBRUARY 28, 2022**

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

- The Pharmacy & Therapeutic Committee met on 01/11/2022 and 02/08/2022
- The N.C. Physician Advisory Group met on 12/09/2021, 01/27/2022, and 02/24/2022

**Recommended Clinical Coverage Policies**

- 1E-7 Family Planning Services (amend existing policy) - 12/09/2021
- 5A-2 Respiratory Equipment and Supplies (Amend existing policy) - 12/09/2021
- 8A-11 Medically Monitored Inpatient Withdrawal Services (new policy) - 12/09/2021
- 5A-3 Nursing Equipment and Supplies (Amend existing policy) - 01/27/2022
- 8-B, Inpatient Behavioral Health Services (Amend existing policy) - 02/24/2022

**Recommended Pharmacy Items**

- Prior Approval Criteria- Growth Hormones-01/11/2022
- Prior Approval Criteria- Lupus Medications-01/11/2022
- Prior Approval Criteria- Monoclonal Antibodies-01/11/2022
- Prior Approval Criteria- Hepatitis C-02/08/2022
- Prior Approval Criteria- Hetlioz-02/08/2022
- Prior Approval Criteria- Nexlitol and Nexlizet-02/08/2022
- Prior Approval Criteria- PCSK9- 02/08/2022

**PAG Notifications**

- None

## 2. Clinical Coverage Policies posted for Public Comment

- 1E-6 Pregnancy Management Program 01/07/2022 – 02/21/2022
- 5A-2 Respiratory Equipment and Supplies 01/07/2022 – 02/21/2022
- 5A-3 Nursing Equipment and Supplies 02/23/2022 – 04/09/2022

### Pharmacy Items Posted for Public Comment

- Prior Approval Criteria- Epidiolex 01/01/2022 - 02/21/2022
- Prior Approval Criteria- Calcitonin Gene Related Migraine 01/01/2022 - 02/21/2022
- Prior Approval Criteria- Topical Anti-Inflammatories 01/01/2022 - 02/21/2022
- Behavioral Health Edits (Adult) 01/01/2022 - 02/21/2022
- Behavioral Health Edits (Pediatric) 01/01/2022 - 02/21/2022

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

- 2B-1, Nursing Facilities 12/15/21
- 1A-31, Wireless Cap Endoscopy 01/01/2022
- 1L-1, Anesthesia Services 01/01/2022
- 10C, Outpatient Specialized Therapies - Local Education Agencies (LEAs) 02/01/2022

- 8J, Children's Developmental Service Agencies (CDSAs) 02/01/2022
- 5B, Orthotics & Prosthetics 02/01/2022

**New or Amended PA Criteria Posted**

- Prior Approval Criteria- Hetlioz 01/14/2022
- Prior Approval Criteria- Opioid Analgesics 02/01/2022
- Prior Approval Criteria- Cystic Fibrosis Medications 02/01/2022
- Prior Approval Criteria- Zolgensma 02/01/2022
- Prior Approval Criteria- Hepatitis C Medications 02/01/2022
- Prior Approval Criteria- PCSK9 Inhibitors 02/01/2022

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

Temporary COVID-19 flexibilities previously reported, remain in effect through March 31, 2022.

DME/POS providers may issue equipment & supplies when prescribed by podiatric physicians:
In compliance with NC Session Law 2021-180, Senate Bill 105, Section 9D.19, effective Jan. 1, 2022, Medicaid, and NC Health Choice Durable Medical Equipment (DME)/Prosthetics, Orthotics and Supplies (POS) providers may issue medically necessary equipment, prosthetics, orthotics and supplies when prescribed by a beneficiary's treating podiatric physician acting within their scope of practice as defined in NC General Statute, Article 12A, § 90-202.2 – 90-202.14 and by the NC Board of Podiatry Examiners.

NC Medicaid Bulletin Article: https://medicaid.ncdhhs.gov/blog/2021/12/29/podiatric-physicians-permitted-prescribe-durable-medical-equipment-prosthetics-orthotics-and

Clinical Coverage Policy 5B, Orthotics & Prosthetics:
An updated version of Clinical Coverage Policy 5B, Orthotics and Prosthetics with an effective date of Feb. 1, 2022, was posted to the NC Medicaid Clinical Coverage Policy web page. This update included:

- Adding coverage for prefabricated, off-the-shelf codes L0455, L0457, L0467, L0469, L0649, L0650, L1812, L1833, L1848, L3809, L3916, L3918, L3924, L3930, L4361, L4387, and L4397
- Updating required rendering/dispensing providers and credentialing board names
- Aligning with CMS HCPCS coding updates:
- NC Medicaid Bulletin Article: https://medicaid.ncdhhs.gov/blog/2022/02/15/updates-clinical-coverage-policy-5b-orthotics-and-prosthetics

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

Temporary COVID-19 flexibilities previously reported, remain in effect through March 31, 2022.

Charter Schools Eligible for Medicaid Reimbursement:
The North Carolina Current Operations Appropriations Act of 2021 (Session Law 2021-180) enacted legislation to allow charter schools, as Local Education Agencies (LEAs), to participate in North Carolina Medicaid reimbursement. Specifically, North Carolina General Statute §115C-218.105 is amended to allow for charter schools approved by the State as a public school to be deemed a local government entity solely with respect to the North Carolina Medicaid program.

The North Carolina Medicaid program currently allows for reimbursement to enrolled LEAs as governmental entities in three areas:

1. Claims payment for NC Medicaid Direct covered services,
2. An annual Medicaid cost-settlement, and
3. Reimbursement of select eligible Medicaid administrative costs.

NC Medicaid Direct covered services are defined as reimbursable under NC Medicaid Clinical Coverage Policy 10C on the Specialized Therapies Clinical Coverage Policies web page.

NC Medicaid Bulletin Article: https://medicaid.ncdhhs.gov/blog/2022/02/03/charter-schools-eligible-medicaid-reimbursement

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

No Report this quarter.

## 7. Behavioral Health IDD Section

Treatment for Autism Spectrum Disorder- CMS has approved a SPA amendment to increase eligibility so it no longer ends at 22 is in process with CMS. This was also part of the HCBS increased FMAP plan which NC Medicaid is working with CMS on to receive final approval.

TBI Waiver- Received prior approval from CMS for the TBI Waiver renewal. The renewal expands the waiver to Mecklenburg and Orange Counties as the TBI waiver is currently in Alliance's 4 counties as Alliance added Mecklenburg and Orange Counties to their catchment on 12/1/21. It also lowers the age of injury to 18 from 22; increases the federal poverty level limit for participation to 300%; and adds Supported Living and Remote Supports service definitions.

1915 (b) waiver – The 1915 (b) waiver to align with the implementation of managed care has been approved by CMS.

Innovations Waiver- 1000 Additional Slots were approved in the recent NC State Budget. NC Medicaid and DMHDDSAS continue to partner to share information and resources on Community Integrated Employment and Supported Employment.

1915(i) -stakeholder engagement is occurring with the LME/MCOs and public regarding 1915(i) proposed services and changes from the current (b)(3) services

**Behavioral Health Clinical Policy Updates:**

- CCP 8A – Enhanced Mental Health and Substance Abuse Services - Mobile Crisis Management definition will be updated to align with The Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA or Parity Act) and the American Rescue Plan Act of 2021 (AR) (Pub. L. 117-2). The draft policy has been reviewed by DHB and DMH staff. Stakeholder engagement webinars are forthcoming.

- CCP 8A-5 Diagnostic Assessment – Policy has been revised to add information regarding ASAM completion requirement and ASAM training requirements. Stakeholder workgroup conducted. Anticipating a April or May 2022 PAG.
- CCP 8B Inpatient Behavioral Health Services- policy was reviewed by PAG in January and recommendation was to approve. Anticipating no fiscal impact or rate change as no revisions were made to staffing, training requirements, or required treatment components. Changes around licensure requirements will require a SPA amendment. Anticipating a go live date of 7/1/2022.

- CCP 8C- policy has been drafted, revised by DHB and DMH SMEs, stakeholder workgroups have been facilitated, and policy has been shared with the EBCI. Policy is scheduled for April PAG. Anticipating a go live date of 7/1/2022.
- CCP 8A-7 Ambulatory Withdrawal Management Without Extended Onsite Monitoring – Policy has been drafted as a standalone policy and will remove policy (Ambulatory Detoxification) from CCP 8A., CCP 8A-7 reviewed by DHB and DMH SMEs, stakeholder work groups have been conducted and policy has been shared with EBCI. Policy is scheduled for March 2022 PAG.
- CCP 8A-8 Ambulatory Withdrawal Management With Extended Onsite Monitoring – This is a new policy for Medicaid and has been drafted, reviewed by DHB and DMH SMEs, stakeholder workgroups have been conducted and policy has been shared with EBCI. Policy is schedule for March 2022 PAG.
- CCP 8A-11 Medically Monitored Inpatient Withdrawal Management- policy was reviewed by PAG in December and recommendation was to approve. Currently working on reviewing the rate, obtaining a fiscal SPA, and obtaining a signed fiscal impact. Anticipating a go live date of 7/1/2022.
- CCP Clinically Managed Population-Specific High Intensity Residential Program policy has been developed, revised by DHB and DMH SMEs, stakeholder workgroups have been facilitated and policy has been shared with the EBCI. Draft policy has been sent to the Clinical Policy Team, have requested a PAG review either April or May 2022.
- CCP Clinically Managed High-Intensity Residential Services Adult & Adolescent- policy has been developed and is currently being reviewed by DHB and DMH SMEs.
- CCP Individual Placement and Support- policy has been developed, revised by DHB and DMH SMEs, stakeholder work groups have been facilitated and policy has been shared with the EBCI. Next step will be sending policy to the Clinical Policy Team, and reaching back out to fiscal regarding a rate, fiscal impact and SPA. Policy was shared with the Finance team 8/2021, have not received rate information to date.
- CCP 2A-1- policy is being revised due to House Bill 382 (March 24, 2021)- Hospital ED Care/Medicaid Behavioral Health Services. Revisions will allow reimbursement to hospitals for behavioral health services provided to Medicaid beneficiaries while they are awaiting discharge to a more appropriate setting. Policy revisions have been made and are scheduled to be reviewed internally. A fiscal SPA will be submitted to CMS for this change.

# PROVIDER OPERATIONS REPORT

Monitoring the Fiscal Agent's performance of provider enrollment and termination and the performance of vendors, contractors, and Standard 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 the Medicaid and N.C. Health Choice (NCHC) program standards.

For managed care Standard Plans, Provider Operations has continued efforts to collaborate with DHB health plan administrators to ensure the Plan's contract compliance. This includes:

- Monitoring of a weekly validation report to identify non-enrolled providers on each Standard Plan network file. Noncompliance forms are then submitted to DHB Plan Administration detailing any issues and suggested actions.
- Collaboration with the DHB Information Technology Division to automate the reporting process as it relates to the Standard Plan consumer facing directories.
- Updating the Provider Claims Suspensions & Terminations Operational Report, with a new report template and making it available to Standard Plans in advance of their first report submission in March 2022.
- Review of each Standard Plan's Provider Credentialing & Recredentialing policies.
- Submission of a Standard Plan contract amendment to remove the requirement that Standard Plans execute a contract within five business days as well as including additional contract language around submission dates and turnaround times related to credentialing and recredentialing policies.

Provider Operations completed the readiness process through participation in Standard Plans and Network Lead on-site reviews, to ensure the business unit is prepared for the phased launch of the Healthy Opportunities Pilot beginning on March 15th.

The Behavioral Health Intellectual/Developmental Disability (BH I/DD) Tailored Plans Team is working toward many operational goals in preparation for launch of the plans on December 1, 2022.

- Continuing the review cycle for all 30 and 90-day post-contract award inbound deliverables.
- Working on submissions for the second round of contract amendments to align with Standard Plan and ensure the Department follows the latest Code of Federal Regulation (CFR), as well as federal and state regulations.
- Staff meets weekly with the Tailored Plans to assist with Provider Operations-related questions and issues that arise during implementation, as well as provide technical support and guidance.
- In December of 2021 and January of 2022, Provider Operations participated in the first two rounds of contract review for the prepaid inpatient health plan (PIHP) Medicaid Direct Behavioral Health contract, set to launch alongside the BH I/DD Tailored Plan. The contract was then sent out to the Tailored Plans for review and comment.
- Operating cross-functionally in many areas to prepare for launch, including working collaboratively with Member Operations, Quality Population Health, and the Enrollment Broker (EB) to update the EB Provider Directory and tutorial video to include the information about the BH I/DD Tailored Plan. Additional collaboration with the Analytics team to finalize the Provider Ops LD/SLA Playbook and update the operational reports for Tailored Plans took place. The development of Tailored Plan business procedures and monitoring processes has also been initiated with guidance and assistance from our Provider Operations Standard Plan partners.

During this quarter, Provider Operations monitored 166 licensure disciplinary impacts imposed by 19 N.C. license boards, 473 notifications from four NC DHHS Divisions, and 154 notifications from CMS. Additionally, 165 provider applications processed by our fiscal agent were monitored to ensure proper approval, denial, and termination decisions were rendered. Each month, 60 LexisNexis background checks were monitored to confirm proper action was taken on provider records. Monitoring of provider termination actions to CMS, HHS-OIG, and the National Practitioner Databank also took place.

In response to findings cited in the Office of State Auditor (OSA) Performance Audit published February 2021, and Single Audit Report for the year ending June 30, 2020, Provider Operations has submitted several Customer Service Requests (CSRs) to improve the Medicaid and NC Health Choice provider screening, enrollment, and termination processes:

- When re-verification/re-credentialing resumes, system modifications will require Medicaid's Fiscal Agent to conduct primary source verification of all credentials required for enrollment for all individual and organization providers during re-verification/re-credentialing as required in CFR 455.450. Re-verification will remain turned off, due to the Public Health Emergency (PHE), through at least May 16, 2022.
- Beginning January 30, 2022, the fiscal agent automates two database searches required during credentialing. This automation will reduce the chance of errors identified in the manual search process.
- Beginning April 24, 2022, the Fiscal Agent will implement the first of a two-phased process for ownership and managing employee disclosure screening prior to initial enrollment for in-state organizations. Once phase one is implemented and any unforeseen issues are addressed, Provider Operations will work with the Centers for Medicare & Medicaid Services (CMS) on phase two which will expand the ownership screening process to include in-state, border and out-of-state organization providers during initial enrollment and re-verification.
- Also beginning April 24, 2022, the fiscal agent will implement new denial and termination reason codes to be applied to provider taxonomies and Medicaid and NC Health Choice health plans when the Provider Operations License Limitations Review Committee renders a decision to limit, deny or terminate a provider's participation due to license limitations imposed by the licensing boards as provided in CFR 455.412. This change will put measures in place to prevent providers with license limitations from re-enrolling without first being reviewed and approved by the Committee. In January 2022, we began seeking external guidance on all decisions where adverse action is required by requesting, they review and make recommendations prior to the LLRC acting on those providers.
- The Provider Data Management/Credentialing Verification Organization (PDM/CVO) project is in the process of selecting a vendor and currently in the silent period. The contract is expected to be awarded to an NCQA certified vendor by June of this year, with planning and design to follow in July and August ahead of the development phase which will begin in the late summer. Go live is scheduled for June 30, 2023.

Our NC Area Health Education Centers (AHEC) partner made over 1,600 contacts to providers through their regional coaches' provider engagement and education activities in December and January (data for February is not yet available). Encounters took place through virtual, telephone, e-mail, or on-site engagement, with a focus on advance medical home providers, community health workers, and providers interested in Tailored Care Management education.

The Medicaid Provider Ombudsman received 574 cases directly through the Provider Ombudsman Listserv during this quarter. The team responded directly to 195 of those and worked to assign other cases to the appropriate business owner including the PHPs, General Dynamics Information Technology/NCTracks, or an operational unit within DHB. The Provider Ombudsman follows up with the business owner if a case has aged 7-days or greater and open cases are also monitored bi-weekly through closure. Trends continue to be tickets related to Claims/Finance, Provider Enrollment, and Provider Reimbursement.

The Provider Relations team successfully processed over 1,000 mass changes, 296 Carolina ACCESS applications, 23 CCNC Network Affiliation requests, and one Eastern Band of Cherokee Indians-Tribal Option enrollment requests.

The above-mentioned activities also 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, PCG, and the standard and tailored plans.