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Expert Advisory Panel: Healthy Opportunities Pilots *Pilot Service Fee Schedule*

May 7, 2019

Agenda for Today

Welcome and Context Setting	**1:00 – 1:30pm**
Discuss Pilot Services and Key Considerations	**1:30 – 4:10pm**
Housing Services	1:30-2:05pm
Interpersonal Violence / Toxic Stress Services	2:05-2:40pm
Break	2:40-2:50pm
Food Services	2:50-3:25pm
Transportation Services	3:25-3:45pm
Cross-Domain Services	3:45-4:10pm
Addressing Key Challenges of Developing Fee Schedule	**4:10 – 4:30pm**
Open Comment Period	**4:30 – 5:00pm**

Welcome and Context Setting
1:00-1:30

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Context and Goals For Today's Session

Context For Today

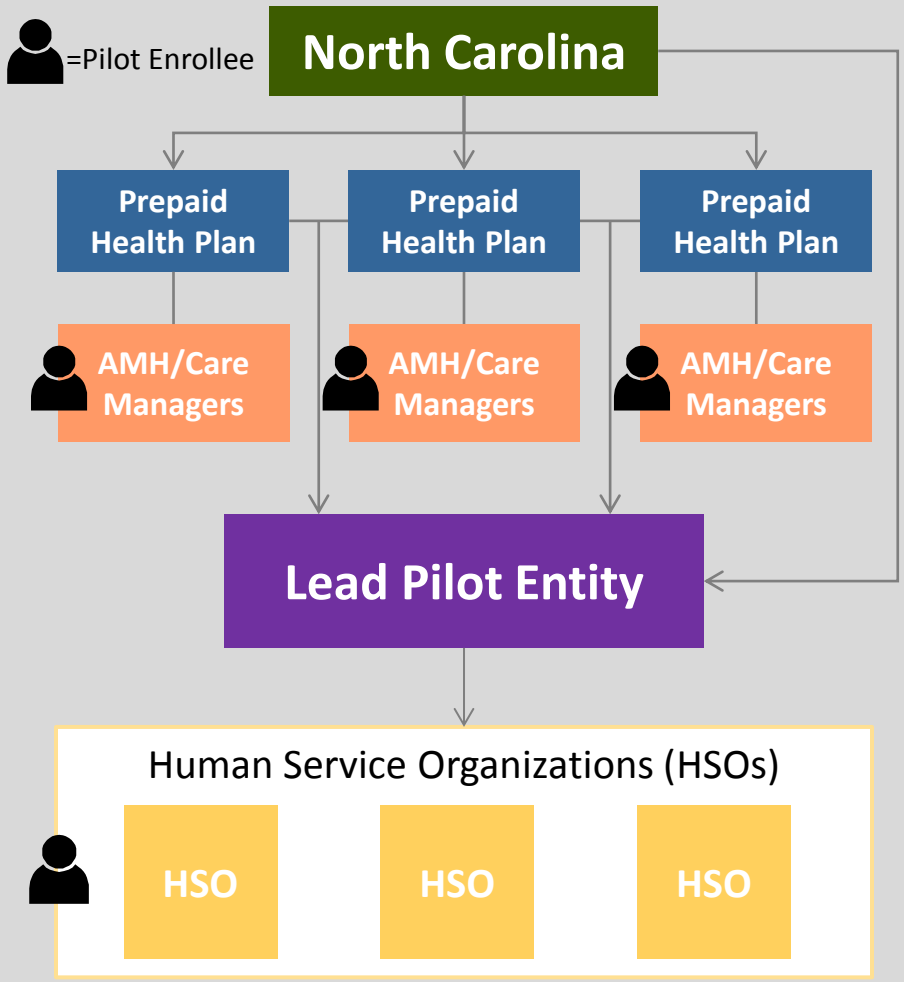
- In developing the Healthy Opportunities Pilot Service Fee Schedule, to date DHHS has engaged with stakeholders through:
  - Healthy Opportunities Pilots Request for Information (February – March)
  - Focus groups with NC-based human services organizations (April)
- Today's material is focused on draft Pilot service definitions and proposed payment approaches. DHHS will develop proposed prices per Pilot service in May – June.

Goals of Today's Session

- Review full universe of discrete Pilot services, soliciting feedback on:
  - Approach to defining services
  - Proposed payment approach
  - Eligibility standards
  - Provider qualifications
- Discuss strategies to address the challenges of developing this novel fee schedule

Reminder: Overview of Pilot Entities

Sample Regional Pilot



Pilot Entities: Overview

- Key pilot entities include:
  - Healthy Opportunities Pilot Enrollees
  - North Carolina DHHS
  - Prepaid Health Plans (PHPs)
  - Care Managers (*predominantly located at Tier 3 Advanced Medical Homes and Local Health Departments*)
  - Lead Pilot Entities (LPEs)
  - Human Service Organizations (HSOs)

Pilots Request for Information Response Overview

North Carolina received an incredible response to the RFI, which provides a rich data set to leverage in developing service definitions and rates for the fee schedule.

- **Narrative Responses:**
  - NC DHHS received RFI responses from 86 unique organizations covering 55 unique zip codes across North Carolina.
  - Respondents included human service organizations, coalitions, health systems, health clinics, local health departments, PHPs, CINs, and advocacy organizations, among others.

- **Human Service Organization Service Descriptions:**
  - NC DHHS received 125 service descriptions, which were evenly spread across the four domain areas.

Service Type	# of Services	% of Total
Cross-Domain	33	26%
Food	27	22%
Housing	26	21%
IPV	28	22%
Transportation	11	9%
Total	125	

- **Cost Report Worksheets:**
  - NC DHHS received 101 cost report worksheets that calculated a per unit cost for an associated service, meaning that roughly 80% of the service descriptions submitted had an accompanying cost report worksheet.

**To comply with State Procurement rules, North Carolina is not able to share RFI responses with the Advisory Panel.*

Pilot Service Fee Schedule Overview

The Pilots represent the first time Medicaid funding will systematically pay for non-medical services for a broad subset of Medicaid enrollees, requiring the development of a fee schedule.

- The fee schedule will be based on the following interrelated components:
  1. **Detailed definitions** per service unit (e.g., specific intervention(s) provided, for whom, in what setting, by what type of provider with what type of qualifications, over what time period, etc.)
  2. **The payment type** per service unit (e.g., fee-for-service, per diem, bundled per member per month, etc.)
  3. **Payment rates** per service unit
- All Pilots will adhere to the fee schedule's rates in their payment practices
- The Department plans to release the draft fee schedule for public comment during the summer of 2019.

The fee schedule is due to the Centers for Medicare and Medicaid Services (CMS) on **September 1, 2019** for review and approval.

Principles for Defining and Pricing Pilot Services

Several imperatives drive the state's approach to defining and pricing Pilot services.

Principles
Sustainability: Ensure payment approach and pricing makes service delivery financially sustainable for HSOs and the State/Federal government
Flexibility: Permit flexibility in service delivery at the local level, to meet enrollees' unique and varying levels of need and reduce administrative burden of billing each incremental activity
Accountability: Ensure transparency to support evaluation and program integrity of funds' use
Integration: Support care integration, with PHPs as well as across HSOs, to break down siloes of care
Simplicity: Ensure the fee schedule supports feasible and reasonable implementation by HSOs
Value: Align prices with social service delivery cost in early years, while moving to value-based payment tactics that link payment to accountability for health outcomes in later Pilot years
Adaptability: Allow for adaptation, as NC learns from managed care transition and coverage of non-medical services over time

Meeting Materials

(1) Complete List of Condensed Service Definitions

- Includes all services across all domains
- For each service, data elements include:
  - Service name
  - Service description
  - Eligibility standards
  - Payment unit
  - Payment approach
  - Provider qualifications

This document is for review and discussion today

(2) Detailed Service Definitions

- Includes all services across all domains
- Includes additional data elements beyond those included in the condensed service definitions (*see next slide for full list)*

This document is for reference. We welcome written feedback after the meeting from those who choose to review.

Service Definition Elements

Category	Data Elements
Service Descriptors	• Service Name ★ • Service Description ★ • Frequency (i.e., on average how often the service is provided, such as daily, weekly, monthly, as needed) • Duration (i.e., on average how long the service is provided, such as 6 weeks, 6 months, as needed) • Setting (e.g., in person, telephonic) • Eligibility Standards (i.e., service-specific criteria beyond the baseline Pilot eligibility criteria) ★
Provider Descriptors	• Service Provider Qualifications (i.e., minimum credential, training or licensing expectations) ★ • Staffing Ratios (i.e., average panel size for case managers, if applicable)
Payment Information	• Payment Unit (e.g., one hour session, one delivered meal, one Pilot enrollee) ★ • Payment Approach (e.g., cost-based reimbursement up to a cap, one-time payment for a service delivered, monthly payment per person receiving a bundle of services) ★ • Billing Thresholds / Limits (e.g., one service per month) • Cost Elements (i.e., core cost components to provide this service, which may include direct and indirect costs)

★ *Data elements included in today's primary meeting materials*

Context for Detailed Service Definitions

- The information detailed in the current draft service definitions will be used to:

  1. Provide a thorough understanding of the service

  2. Enable DHHS to price the service adequately

  3. Explain to HSOs (and others) how the State will expect the service to be provided

- Not all elements in the draft service definitions represent requirements for how HSOs deliver services. Rather, some serve mainly to inform pricing based on how a service is typically delivered "on average."

  – For example: Staffing ratios will describe an average panel size for case managers (when applicable), but does not serve as a guideline or requirement for HSOs' implementation

- Not all elements in the draft service definitions shared for today's meeting will necessarily be included in final service definitions.

Reminder: Service Definitions Are in Draft Form

Service definitions are in draft form.

Services may be added or excluded from the final fee schedule, and DHHS will continue to modify service definitions based on feedback from today's meeting and from other sources.

Key Issues for Consideration Today

Issues To Keep in Mind During Today's Discussion

- Balancing flexibility allowed through bundled payment models with financial risk for human service organizations
- Ensuring Pilot service definitions and payment approaches support efficient and appropriate on-the-ground service delivery
- Balancing flexibility and prescriptiveness in service definitions
- Completeness of service list as permitted by the 1115 waiver special terms and conditions*
- Ensuring each Pilot service supports the goals of improved health outcomes and healthcare costs in the short and long term
- Developing strategies to help address the challenge of pricing services without extensive data on cost and utilization of non-medical services

Other Key Issues Not for Discussion Today

- Detailed feedback on specific service definitions
- Value-based payment strategy in later Pilot years
- State's rigorous approach to monitoring the integrity and quality of service delivery
- Service prices

**See appendix for full list of services approved through 1115 Waiver.*

Pilot Service Definitions
1:30-4:30

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Pilot Service Definitions and Payment Approaches

Please turn to supplementary materials to discuss draft Pilot service definitions and payment approaches.

Discuss Pilot Services and Key Considerations	1:30 – 4:10pm
Housing Services	1:30-2:05pm
Interpersonal Violence / Toxic Stress Services	2:05-2:40pm
Break	2:40-2:50pm
Food Services	2:50-3:25pm
Transportation Services	3:25-3:45pm
Cross-Domain Services	3:45-4:10pm

Questions for Discussion During Service Definition Review

- Does the list allow for flexibility with PMPM approaches where appropriate?
- Do the service descriptions and payment approaches support how services are delivered on-the-ground today?
- Do the eligibility standards ensure services are targeted to those who will most benefit in terms of health outcomes and healthcare costs?
- Are any key permissible services missing?

Addressing Challenges of Developing Fee Schedule

Challenges

- **Lack of Experience/Data:**
  - DHHS is developing prices for services that have not historically been reimbursed per service unit
  - Data are lacking on how medical and non-medical risk factors impact the acuity of individuals' non-medical needs and utilization of non-medical services

Potential Mitigation Strategies Under Consideration

- **Contingency Fund:** Establish a fund that would be distributed based either on costs above payments or to HSOs serving higher acuity/cost individuals
- **Tiering:** Consider establishing tiers of PMPM payments based on distinguishing risk factor criteria
- **Periodic Fee Schedule Adjustments:** Retrospectively asses costs against payment and adjust reimbursement rates (up or down) accordingly.

Open Comment Period
4:30-5:00

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Appendix

Pilot Eligibility Criteria: Needs-Based Criteria

Eligibility Category	Age	Needs-Based Criteria (at least one, per eligibility category)
Adults	22+	▪ 2 or more chronic conditions. Chronic conditions that qualify an individual for pilot enrollment include: BMI over 25, blindness, chronic cardiovascular disease, chronic pulmonary disease, congenital anomalies, chronic disease of the alimentary system, substance use disorder, chronic endocrine and cognitive conditions, chronic musculoskeletal conditions, chronic neurological disease and chronic renal failure, in accordance with Social Security Act section 1945(h)(2). ▪ Repeated incidents of emergency department use (defined as more than four visits per year) or hospital admissions.
Pregnant Women	n/a	▪ Multifetal gestation. ▪ Chronic condition likely to complicate pregnancy, including hypertension and mental illness. ▪ Current or recent (month prior to learning of pregnancy) use of drugs or heavy alcohol. ▪ Adolescent ≤ 15 years of age. ▪ Advanced maternal age, ≥ 40 years of age. ▪ Less than one year since last delivery. ▪ History of poor birth outcome including: preterm birth, low birth weight, fetal death, neonatal death.
Children	0–3	▪ Neonatal intensive care unit graduate. ▪ Neonatal Abstinence Syndrome. ▪ Prematurity, defined by births that occur at or before 36 completed weeks gestation. ▪ Low birth weight, defined as weighing less than 2500 grams or 5 pounds 8 ounces upon birth. ▪ Positive maternal depression screen at an infant well-visit.
	0–21	▪ One or more significant uncontrolled chronic conditions or one or more controlled chronic conditions that have a high risk of becoming uncontrolled due to unmet social need, including: asthma, diabetes, underweight or overweight/obesity as defined by having a BMI of 85th %ile for age and gender, developmental delay, cognitive 67 impairment, substance use disorder, behavioral/mental health diagnosis (including a diagnosis under DC: 0-5), attention deficit/hyperactivity disorder, and learning disorders. ▪ Experiencing three or more categories of adverse childhood experiences (e.g. Psychological, Physical, or Sexual Abuse, or Household dysfunction related to substance abuse, mental illness, parental violence, criminal behavioral in household). ▪ Enrolled in North Carolina's foster care or kinship placement system.

Pilot Eligibility Criteria: Social Risk Factors

Risk Factor	Definition
Homelessness and housing insecurity	Homelessness, as defined in U.S. Department of Health and Human Services 42 CFR § 254(h)(5)(A), and housing insecurity, as defined based on questions used to establish housing insecurity in the Accountable Health Communities Health Related Screening Tool.
Food insecure	As defined by the US Department of Agriculture commissioned report on Food Insecurity in America: ▪ Low Food Security: reports of reduced quality, variety, or desirability of diet. Little or no indication of reduced food intake. ▪ Very low food security: Reports of multiple indications of disrupted eating patterns and reduced food intake.
Transportation insecure	Defined based on questions used to establish transportation insecurities in the Accountable Health Communities Health Related Screening Tool.
At risk of, witnessing or experiencing interpersonal violence	Defined based on questions used to establish interpersonal violence in the Accountable Health Communities Health Related Screening Tool.

Pilot Services (1 of 4)

Service Sub-Category	Enhanced Case Management and Other Services Pilot Program Services
Housing	
Tenancy Support and Sustaining Services	▪ Assisting the individual with identifying preferences related to housing (e.g., type, location, living alone or with someone else, identifying a roommate, accommodations needed, or other important preferences) and needs for support to maintain community integration. ▪ Supports to assist the individual in budgeting for housing/living expenses, including financial literacy education on budget basics and locating community based consumer credit counseling bureaus. ▪ Assisting the individual to connect with social services to help with finding housing necessary to support individual in meeting their medical care needs. This pilot service is furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan. ▪ Assisting the individual with housing application and selection process, including filling out housing applications and obtaining and submitting appropriate documentation. ▪ Assisting the individual to develop a housing support plan based on upon the functional needs assessment, including establishing measurable goal(s) as part of the overall person centered plan. ▪ Developing a crisis plan, which must identify prevention and early intervention services if housing is jeopardized. ▪ Participating in the person centered plan meetings to assist the individual in determination or with revisions to housing support plan. ▪ Assisting the individual to review, update and modify his or her housing support and crisis plan on a regular basis to reflect current needs and address existing or recurring housing retention barriers. ▪ Assisting the individual to complete reasonable accommodation requests as needed to obtain housing. ▪ Supporting individuals in the development of independent living skills, such as skills coaching, financial counseling and anger management. ▪ Connecting the individual to education and training on tenants' and landlords' role, rights, and responsibilities. ▪ Assisting in reducing risk of eviction by providing services such as services that help the beneficiary improve his or her conflict resolution skills, coaching, role-playing and communication strategies targeted towards resolving disputes with landlords and neighbors; communicate with landlords and neighbors to reduce the risk of eviction; address biopsychosocial behaviors that put housing at risk; and provide ongoing support with activities related to household management. ▪ Assessing potential health risks to ensure living environment is not adversely affecting occupants' health. ▪ Providing services that will assist the individual with moving into stable housing, including arranging the move, assessing the unit's and individual's readiness for move-in, and providing assistance (excluding financial assistance) in obtaining furniture and commodities. This pilot service is furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan and the enrollee is unable to meet such expense or when the services cannot be obtained from other sources. ▪ funding related to utility set-up and moving costs provided that such funding is not available through any other program. This pilot service is furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan and the enrollee is unable to meet such expense or when the services cannot be obtained from other sources.

Pilot Services (2 of 4)

Service Sub-Category	Enhanced Case Management and Other Services Pilot Program Services
Housing	
Housing Quality and Safety Improvement Services	▪ Repairs or remediation for issues such as mold or pest infestation if repair or remediation provides a cost-effective method of addressing occupant's health condition, as documented by a health care professional, and remediation is not covered under any other provision such as tenancy law. This pilot service is furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan and the enrollee is unable to meet such expense or when the services cannot be obtained from other sources. ▪ Modifications to improve accessibility of housing (e.g., ramps, rails) and safety (e.g., grip bars in bathtubs) when necessary to ensure occupant's health and modification is not covered under any other provision such as the Americans with Disabilities Act.
Legal Assistance	▪ Assistance with connecting the enrollee to expert community resources to address legal issues impacting housing and thereby adversely impacting health, such as assistance with breaking a lease due to unhealthy living conditions. This pilot service does not include legal representation or payment for legal representation.
Securing House Payments	▪ Provide a one-time payment for security deposit and first month's rent provided that such finding is not available through any other program. This payment may only be made once for each enrollee during the life of the demonstration, except for state determined extraordinary circumstances such as a natural disaster. This pilot service is furnished only to the extent it is reasonable and necessary as clearly identified through an enrollee's care plan and the enrollee is unable to meet such expense or when the services cannot be obtained from other sources.
Short-Term Post-Hospitalization	▪ Post-hospitalization housing for short-term period, not to exceed six [6] months, due to individual's imminent homelessness provided that such a service is not available under any other programs. Temporary housing may not be in a congregate setting. To the extent temporary housing services are available under other programs, this service could cover connecting the individual to such program and helping them secure housing through that program.

Pilot Services (3 of 4)

Service Sub-Category	Enhanced Case Management and Other Services Pilot Program Services
Food	
Food Support Services	▪ Assist the enrollee with applications for SNAP and WIC. ▪ Assist the enrollee with identifying and accessing school based food programs. ▪ Assist the enrollee with locating and referring enrollees to food banks or community-based summer and after-school food programs. ▪ Nutrition counseling and education, including on healthy meal preparation. ▪ Providing funding for meal and food support from food banks or other community based food programs, including funding for the preparation, accessibility to, and food for medical condition specific "healthy food boxes," provided that such supports are not available through any other program. Meal and food support services must be provided according to the enrollee's care plan and must not constitute a "full nutritional regimen" (three meals per day per person).
Meal Delivery Services	▪ Providing funding for targeted nutritious food or meal delivery services for individuals with medical or medically-related special dietary needs provided such funding cannot be obtained through any other source. Meals provided as part of this service must be provided according to the enrollee's care plan and must not constitute a "full nutritional regimen" (3 meals per day, per person).
Transportation	
Non-emergency health-related transportation	▪ Transportation services to social services that promote community engagement. ▪ Providing educational assistance in gaining access to public or mass transit, including access locations, pilot services available via public transportation, and how to purchase transportation passes. ▪ Providing payment for public transportation (i.e., bus passes or mass transit vouchers) to support the enrollee's ability to access pilot services and other community-based and social services, in accordance with the individual's care plan. ▪ Providing account credits for cost-effective private forms of transportation (taxi, ridesharing) in areas without access to public transit. Pilot transportation services must be offered in accordance with an enrollee's care plan, and transportation services will not replace nonemergency medical transportation as required under 42 CFR 431.53. Whenever possible, the enrollee will utilize family, neighbors, friends, or community agencies to provide transportation services.

Pilot Services (4 of 4)

Service Sub-Category	Enhanced Case Management and Other Services Pilot Program Services
Interpersonal Violence (IPV)/Toxic Stress	
Interpersonal Violence-Related Transportation	▪ Transportation services to/from IPV service providers for enrollees transitioning out of a traumatic situation.
IPV and Parenting Support Resources	▪ Assistance with linkages to community-based social service and mental health agencies with IPV expertise. ▪ Assistance with linking to high quality child care and after-school programs. ▪ Assistance with linkages to programs that increase adults' capacity to participate in community engagement activities. ▪ Providing navigational services focusing on identifying and improving existing factors posing a risk to the safety and health of victims transitioning out of traumatic situations (i.e., obtaining a new phone number, updating mailing addresses, securing immediate shelter and longer-term housing, school arrangements to minimize disruption of school schedule, connecting enrollees to medical-legal partnerships to address overlap between healthcare and legal needs).
Legal Assistance	▪ Assistance with directing the beneficiary to available legal services within the legal system for interpersonal violence related issues, such as securing a Domestic Violence Protection Order. This pilot service does not include legal representation or payment for legal representation.
Child-Parent Support	▪ Evidence-based parenting support programs (i.e., Triple P – Positive Parenting Program, the Incredible Years, and Circle of Security International). ▪ Evidence-based home visiting services by licensed practitioners to promote enhanced health outcomes, whole person care and community integration. ▪ Dyadic therapy treatment for children and adolescents at risk for or with an attachment disorder, or as a diagnostic tool to determine an attachment disorder.