

Healthy Opportunities Pilots

NC Medicaid

Fact Sheet Healthy Opportunities Pilot Region Awards

On May 27, 2021, the North Carolina Department of Health and Human Services (NCDHHS) announced the selection of organizations to serve three regions of the state, marking a major milestone towards launching the nation's first comprehensive program to test evidence-based, non-medical interventions designed to reduce costs and improve the health of Medicaid beneficiaries.

Following a competitive selection process, the following organizations will reach three regions, two in eastern North Carolina and one in western North Carolina.

- **Access East, Inc.:** Beaufort, Bertie, Chowan, Edgecombe, Halifax, Hertford, Martin, Northampton, Pitt
- **Community Care of the Lower Cape Fear:** Bladen, Brunswick, Columbus, New Hanover, Onslow, Pender
- **Dogwood Health Trust:** Avery, Buncombe, Burke, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Yancey

North Carolina's Approach to Buying Health

NCDHHS is committed to improving the health and well-being of North Carolinians with an innovative, well-coordinated system of care that addresses both the medical and non-medical drivers of health. While high-quality medical care is crucial, up to 80% of a person's health is determined by social and environmental factors. To create a system that improves health and promotes value, North Carolina must look beyond services that are provided within the four walls of a hospital or clinic.

One important way NCDHHS is operationalizing its commitment to buying health is through the Healthy Opportunities Pilots, a groundbreaking program that will work in conjunction with the state's transition to NC Medicaid Managed Care to test and evaluate the use of Medicaid to pay for evidence-based interventions designed to address non-medical factors that drive health outcomes and costs.

Healthy Opportunities Pilots

A key component of NC Medicaid's Section 1115 Demonstration Waiver, the Healthy Opportunities Pilots provide NCDHHS with an unprecedented opportunity to test the impact of providing select non-medical, evidence-based interventions that address unmet needs in housing, food, transportation, interpersonal safety and toxic stress for high-risk NC Medicaid Managed Care members. The Pilots will establish and allow NCDHHS to evaluate a systematic approach to integrating and financing evidence-based, non-medical services into the delivery of health care.

HEALTHY OPPORTUNITIES PILOTS BACKGROUND

The Pilot program has been authorized by the Centers for Medicare & Medicaid Services (CMS) through Oct. 31, 2024 as part of North Carolina's Section 1115 Medicaid Demonstration Waiver.

The federal government has authorized up to \$650 million in state and federal Medicaid funding for the Pilots over the waiver period, which will cover the cost of delivering the non-medical services and, in the first two years, support capacity building needed to launch the program. Prepaid Health Plans (PHPs) will implement the Pilots in collaboration with their care management entities, Healthy Opportunities Network Leads (formerly referred to as Lead Pilot Entities, or LPEs), and the network of Human Service Organizations (HSOs, e.g., community-based organizations and social services agencies) established and overseen by Network Leads.

A key component of the Pilots is a comprehensive and rigorous approach to evaluation. The Pilot evaluation design, which received CMS approval in August 2019, includes rapid cycle assessments throughout the Pilots followed by a summative evaluation to be delivered after the conclusion of the demonstration. The evaluation design includes randomization of higher intensity services during the later years of the Pilots.

Pilot Goals

- Evaluate the effectiveness of select, evidence-based, non-medical interventions and the role of the Healthy Opportunities Network Lead in improving health outcomes and reducing health care costs for high-risk NC Medicaid Managed Care members.



- Leverage evaluation findings to embed cost-effective interventions that improve health outcomes into the Medicaid program statewide, furthering NCDHHS' goals for a sustainable Medicaid program.
- Support the sustainability of delivering non-medical services identified as effective through the evaluation, including by strengthening capabilities of HSOs and partnerships with health care payers and providers.

ELIGIBILITY CRITERIA

To maximize the impact of limited Pilot funding, Pilot services will be provided to eligible NC Medicaid Managed Care members expected to benefit most from them, as determined by PHPs and in accordance with NCDHHS standards and guidelines. To be eligible for and receive Pilot services, NC Medicaid Managed Care members must live in a Pilot region and have at least one qualifying physical or behavioral health condition and one qualifying social risk factor.

PILOT SERVICES

The Healthy Opportunities Pilots will cover the cost of delivering a select set of interventions that address housing, food, transportation, interpersonal violence and toxic stress. Each Network Lead must contract with HSOs to cover all domains of services (housing, food, transportation, interpersonal safety and toxic stress) for all types of enrolled members (pregnant women, children and adults) in their region.

HEALTHY OPPORTUNITIES NETWORK LEADS

Healthy Opportunities Network Leads will play a critical role in the Pilots by connecting the health care and social service sectors. Network Lead responsibilities include:

- Establishing, managing and overseeing a network of HSOs, including assessing HSO performance.
- Ensuring an adequate network of HSOs to meet Medicaid members' needs through the Pilots and ensuring the delivery high-quality Pilot services.
- Distributing capacity-building funding to HSOs.
- Assisting HSOs with invoicing for Pilot services and routing invoices to a member's PHP for payment.
- Providing technical assistance and conducting quality improvement activities with its HSO network.
- Facilitating learning collaboratives for Pilot HSOs, PHPs and care management entities.
- Collecting and submitting data to support DHHS' evaluation and oversight of the Pilot program.

PREPAID HEALTH PLANS & CARE MANAGEMENT ENTITIES

PHPs will play a central role in implementing the Healthy Opportunities Pilots and are ultimately responsible for managing Pilot participants' physical, behavioral and social needs. PHPs' key Pilot responsibilities, some of which will be shared with their delegated care management entities, include:

- Managing a capped allocation of funding to spend on Pilot services outside of its capitation rate, in accordance with Department guidelines.
- Making Pilot enrollment determinations for their members that meet certain eligibility criteria and authorizing pilot services.
- Ensuring Pilot participants are enrolled in other available federal, state and local programs to maximize the value of Pilot expenditures.
- Making referrals to HSOs for authorized Pilot services and following up with Pilot participants to evaluate ongoing needs.
- Collecting and submitting data to support DHHS' evaluation and oversight of the Pilot program.
- Paying HSOs for Pilot services provided.

HUMAN SERVICES ORGANIZATIONS

HSOs will deliver authorized Pilot services to Medicaid managed care members who are Pilot participants. HSO key Pilot responsibilities include:

- Delivering high-quality Pilot services to Pilot enrollees.
- Tracking services delivered to Pilot participants and conducting closed-loop referrals in NCCARE360.
- Submitting invoices to the Network Lead reflecting Pilot services they have delivered to Pilot participants.
- Participating in readiness and quality improvement activities, including training, technical assistance and convenings organized by a Network Lead or NCDHHS.
- Supporting NCDHHS oversight and evaluation of Pilots.

For more information about Healthy Opportunities, visit: <https://www.ncdhhs.gov/about/department-initiatives/healthy-opportunities>

LOOKING AHEAD

Network Leads will spend the upcoming months building their network of HSOs and developing their capacity and that of their HSOs to participate in the Pilots. NCDHHS anticipates that Pilot service delivery will begin in the Spring of 2022.