

# Healthy Opportunities Pilots

## NC Medicaid

deliver the non-medical interventions to high risk Medicaid beneficiaries in their geographic area and participate in data collection to support the Department's evaluation.

## Lead Pilot Entities Request for Proposals Fact Sheet

On November 5, 2019, the North Carolina Department of Health and Human Services (DHHS) released a Request for Proposals (RFP) for organizations to serve as Lead Pilot Entities for the Healthy Opportunities Pilots.

### North Carolina's Approach to Buying Health

DHHS 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 percent 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 way DHHS is operationalizing the commitment to be good stewards of public funding and maximize resources is through the Healthy Opportunities Pilots, a groundbreaking program, that will work in conjunction with the state's Medicaid transition to Managed Care, to test and evaluate 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 NC DHHS with an unprecedented opportunity to test the impact of providing select non-medical, evidence-based interventions to high risk Medicaid enrollees that address unmet needs in housing, food, transportation, and interpersonal violence/toxic stress. The Pilots will establish and allow DHHS to evaluate a systematic approach to integrating and financing evidence-based, non-medical services into the delivery of health care.**

NC DHHS will award up to three organizations to serve as Lead Pilot Entities (LPEs) based on responses to the LPE RFP. These LPEs will establish, manage and oversee a network of human services organizations (HSOs) that will

The deadline to submit proposals is Jan. 21, 2020 at 2 p.m. Eastern Time. DHHS anticipates that LPEs will be selected in April of 2020, the networks will be developed and prepared during 2020 and early 2021, and Pilots will begin delivering services in the Spring of 2021. More information about the RFP is available at:

<https://www.ncdhhs.gov/assistance/medicaid-transformation/requests-proposals-rfps-and-requests-information-rfis>

## TRANSITIONING CARE DELIVERY SYSTEMS

North Carolina is transitioning its Medicaid and NC Health Choice programs' care delivery system for most beneficiaries and services from a predominately Fee-for-Service model to a Managed Care model, as directed by the North Carolina General Assembly.

Through Medicaid Managed Care and contracts with Prepaid Health Plans (PHPs), DHHS seeks to advance integrated and high-value care, improve population health, engage and support providers and establish a sustainable program with more predictable costs.

## HEALTHY OPPORTUNITIES PILOTS BACKGROUND

The Pilot program has been authorized by the Centers for Medicare & Medicaid Services (CMS) for a five-year period, from November 1, 2019, through October 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 five-year waiver, which will cover the cost of delivering the non-medical services and, in the early years, support capacity building needed to launch the project. PHPs will implement the Pilots in collaboration with their care management entities and the network of HSOs (e.g., community-based organizations and social services agencies) established and overseen by LPEs.

A key component of the Pilot 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 Pilot followed by a summative evaluation to be delivered after the conclusion of the demonstration. The evaluation design will include randomization of higher intensity services during the later years of the Pilot.

## Pilot Goals

- Evaluate the effectiveness of select, evidence-based, non-medical interventions and the role of the LPE in improving health outcomes and reducing health care costs for high-risk Medicaid Managed Care members.
- Leverage evaluation findings to embed cost effective interventions that improve health outcomes into the Medicaid program statewide, furthering the Department's goals for a sustainable Medicaid program.
- Ensure the sustainability of delivering non-medical services identified as effective through the evaluation, including by strengthening the 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 Medicaid Managed Care members expected to benefit most from them, as determined by PHPs and in accordance with Department standards and guidelines. To be eligible for and receive Pilot services, Medicaid Managed Care members must live in an LPE region and have at least one qualifying physical or behavioral health conditions.

## 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 Pilot must address all domains of need (housing, food, transportation, interpersonal violence and toxic stress) for all types of enrolled beneficiaries (pregnant women, children and adults).

## PRE-PAID HEALTH PLANS (PHPS) & CARE MANAGERS

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, many of which will be shared with their designated care managers, include:

- Managing a capped allocation of funding to spend on Pilot services outside of its capitation rate, in accordance with Department standards and 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 existing 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.

## LEAD PILOT ENTITIES (LPES)

LPEs will play a critical role in connecting PHPs and care managers with HSOs. Key LPE responsibilities include:

- Defining geographic boundaries for its Local Pilot region, which must include no less than three contiguous counties.
- Establishing, managing and overseeing an HSO network, including assessing HSO performance.
- Providing technical assistance and conducting quality improvement activities with its HSO network.
- Distributing capacity building funding to HSOs.
- Collecting and submitting data to support DHHS' evaluation and oversight of the Pilot program.

## HUMAN SERVICES ORGANIZATIONS (HSOS)

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

- Delivering high-quality approved Pilot services to Pilot participants.
- Tracking services delivered to Pilot participants and conducting "closed-loop referrals" in NCCARE360.
- Submitting invoices to the LPE reflecting Pilot services they have delivered to Pilot participants.
- Participating in readiness and quality improvement activities, including trainings, technical assistance and convenings, organized by an LPE or the Department.
- Supporting Department oversight and evaluation of Pilots.

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