

Fact Sheet: Healthy Opportunities Pilots

NORTH CAROLINA'S APPROACH TO BUYING HEALTH

North Carolina Department of Health and Human Services (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 a select set of evidence-based interventions designed to address non-medical factors that drive health outcomes and costs.

HEALTHY OPPORTUNITIES PILOTS BACKGROUND

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

CMS 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 three areas of the State in collaboration with their care management entities, Healthy Opportunities Network

Leads (formerly referred to as Lead Pilot Entities, or LPEs), and networks of Human Service Organizations (HSOs, e.g., community-based organizations and social services agencies) established and overseen by Network Leads.

Through the Healthy Opportunities Pilots, NCDHHS is dedicated to:

- Ensure members can access Pilot services in a timely manner that meets their needs
- Demonstrate equity across all aspects of the Pilot program—including through ensuring diverse and equitable participation in the Pilots for Medicaid members and human service organizations
- Strengthen community capacity to provide high-quality, member-centered services

A key component of the Pilots is a comprehensive and rigorous approach to evaluation. NCDHHS will:

- Evaluate the effectiveness of the non-medical interventions and the role of the 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 the capabilities of HSOs and partnerships with health care payers and providers.

PILOT LAUNCH

The Healthy Opportunities Pilots began serving qualifying Standard Plan members on March 15, 2022.

The Pilots used a phased approach to launch services as follows:

March 15, 2022: Food services available across all pilot regions

May 1, 2022: Housing and Transportation services added and available across all pilot regions

Toxic Stress and cross-domain services are available in three regions of the state on different timelines. See the [Healthy Opportunities Pilots webpage](#) for the latest timelines and information.

All Pilot services will be available to members of Tailored Plans in 2023.

HEALTHY OPPORTUNITIES PILOT REGIONS

On May 27, 2021, NCDHHS announced the selection of organizations to serve three regions of the state, marking a major milestone towards launching the Pilots.

Following a competitive selection process, the following organizations will serve as Network Leads in the 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

Impact Health/Dogwood Health Trust: Avery, Buncombe, Burke, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Yancey

PILOT SERVICES

The Healthy Opportunities Pilots will cover the cost of 29 interventions defined and priced in the Department's [Pilot Service Fee Schedule](#). These services were selected based on their potential to improve health outcomes and/or lower health care costs and address the housing, food, transportation, interpersonal violence and toxic stress needs of qualifying Medicaid members. Each Network Lead must contract with HSOs in their Pilot region to cover all domains of services for all types of enrolled members (pregnant women, children and adults) in their region.

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 (in one of the counties listed above) and have at least one qualifying physical or behavioral health condition and one qualifying social risk factor, as defined by the Department.

Health Plans and their care managers will determine which services to provide to a pilot enrollee from a predefined set of cost-effective and evidence-based interventions. The services will be delivered by human services organizations.

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:

- Manage a capped allocation of funding to spend on Pilot services and maximizing value within their allocations
- Determine which members meet Pilot eligibility criteria and authorizing pilot services
- Lead the integration of non-medical services into their health care delivery approach, including via their care management entities
- Pay non-traditional providers (HSOs) with Pilot funds

HEALTHY OPPORTUNITIES NETWORK LEADS

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

- Serve as a single point of accountability for HSOs and PHPs, effectively bridging the gap between the health care and social services industries

- Serve as a local anchor to build the capacity of HSOs to participate in Medicaid, including by distributing capacity building funds and providing technical assistance
- Develop and manage a high-quality network of HSOs

HUMAN SERVICES ORGANIZATIONS

HSOs will play a critical role in delivering needed social services to Pilot enrollees and other members of the community. HSO key Pilot responsibilities include:

- Deliver high-quality Pilot services in a culturally competent manner in accordance with Pilot standards
- Build service capacity to meet community needs
- Develop capabilities to participate in the health care delivery system, including by tracking, reporting on and invoicing for Pilot services delivered to Pilot enrollees

