



*Operating Under Medicaid
Managed Care in North Carolina*

April 7, 2021



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Managed Care Nationwide Trends

- Narrowed/Sole Source/Preferred Networks
- Ongoing Rate Reductions for HME/CRT
- View HME as commodity
- HCPC Based Pricing
- Claims Processing Delays
- Authorization Processing Delays
- High Denial Percentages
- Inconsistent Medical Policy
- Inconsistent Authorization Guidelines
- Limited Appeals Process

Medicaid Managed Care Parent Firms

Parent Firm	Number of States
Centene	36
UnitedHealth Group	25
Anthem	20
CVS	17
Molina	14
Independence Health Group	10
Tufts Health Plan	6
BMC HealthNet	6
Magellan Health	5
Kaiser Permanente	3
CareSource	3
Health Care Service Corporation	3
Humana	3
McLaren Health Care	2
CareSource & Humana	1
Steward Health	1

AmeriHealth Caritas

<https://www.amerihealthcaritasnc.com/>

1-855-375-8811

TTY: 1-866-209-6421

24 hours a day, 7 days a week

BCBS Michigan Affiliated

13 States

Specialized in Pharmacy Benefits-Perform RX and
Perform Specialty

- Average 30 Day DSO = 52
- Average AR over 120 % = 10%

Carolina Complete Health

<https://www.carolinacompletehealth.com/>

1-833-552-3876

TTY: 711

7 a.m. to 6 p.m., Monday through Saturday

Provider Led Entity (PLE)

Joint Venture NC Medical Society (NCMS) and Centene Corporation

Working with NC Community Health Center Association (NCCHCA)



Centene in 36 States

- AVERAGE 30 day DSO (as secondary in some states) =100-140
- AVERAGE AR over 120 = 15%

Wellcare

<https://www.wellcare.com/NC>

1-866-799-5318

TTY: 711

7 a.m. to 6 p.m., Monday through Saturday

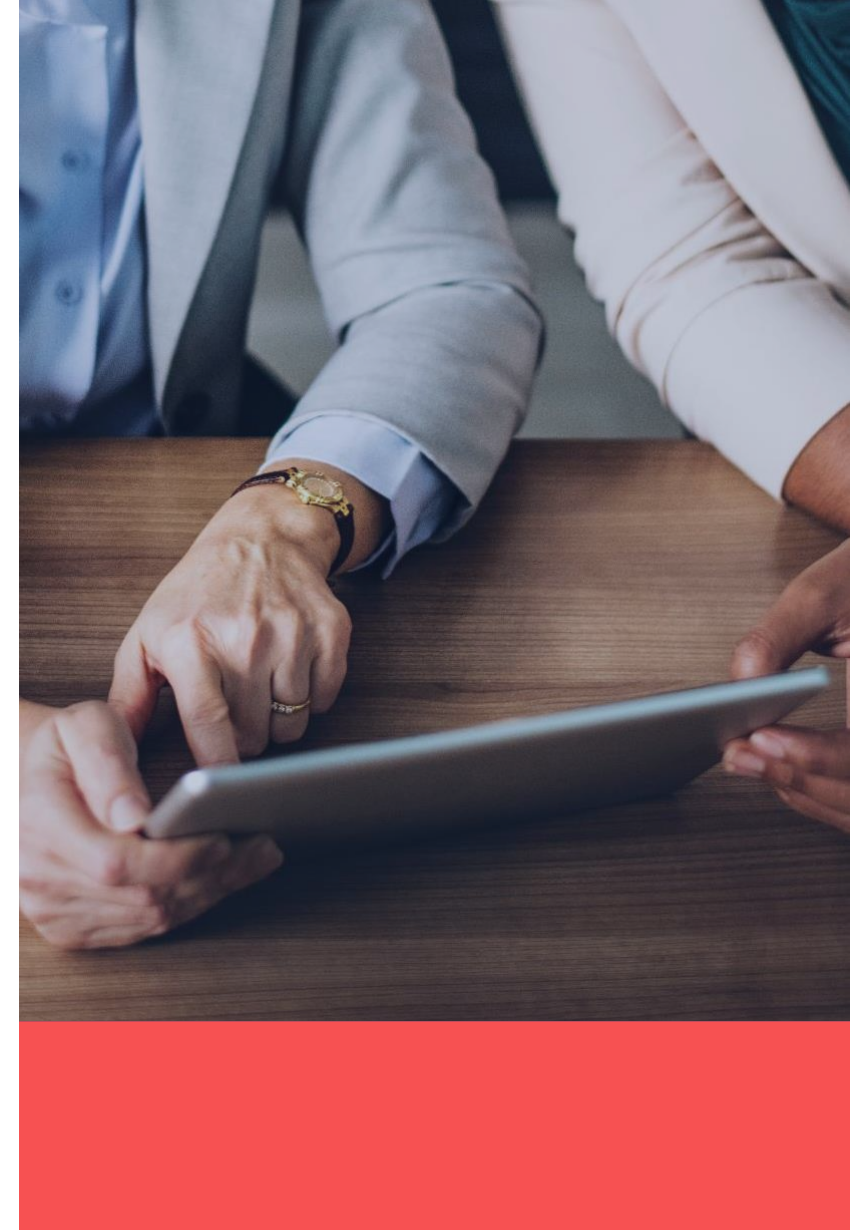
Centene Owned

36 States

- AVERAGE 30 day DSO (as secondary in some states) =100-140
- AVERAGE AR over 120 = 15%

Centene/Wellcare Merger

- Largest Medicaid MCO payer
- Commercial, Med Advantage Payer, PLE
- State approval of merger if both in state
- Florida RFP
 - HME and HH Third Party Administrator
 - National Presence
- Wellcare/Carecentrix Relationship
- Reduction of Rates
- Sole Source
- Preferred Provider Arrangements
- State specific payer names/contracts
- HME is commodity belief



HealthyBlue

<https://www.healthybluenc.com/north-carolina/home.html>

1-844-594-5070

TTY: 711

7 a.m. to 6 p.m., Monday through Saturday

BCBS North Carolina Plan

Different Contacts from the Commercial Plans

Current Averages Blue Cross Plans in NC

- 30 day DSO Blue Cross Commercial and Medicare = 20
- AVERAGE AR over 120 = 17%

United Healthcare Community Plan

<https://www.uhccommunityplan.com/nc>

1-800-349-1855

TTY: 711

7 a.m. to 6 p.m., Monday through Saturday

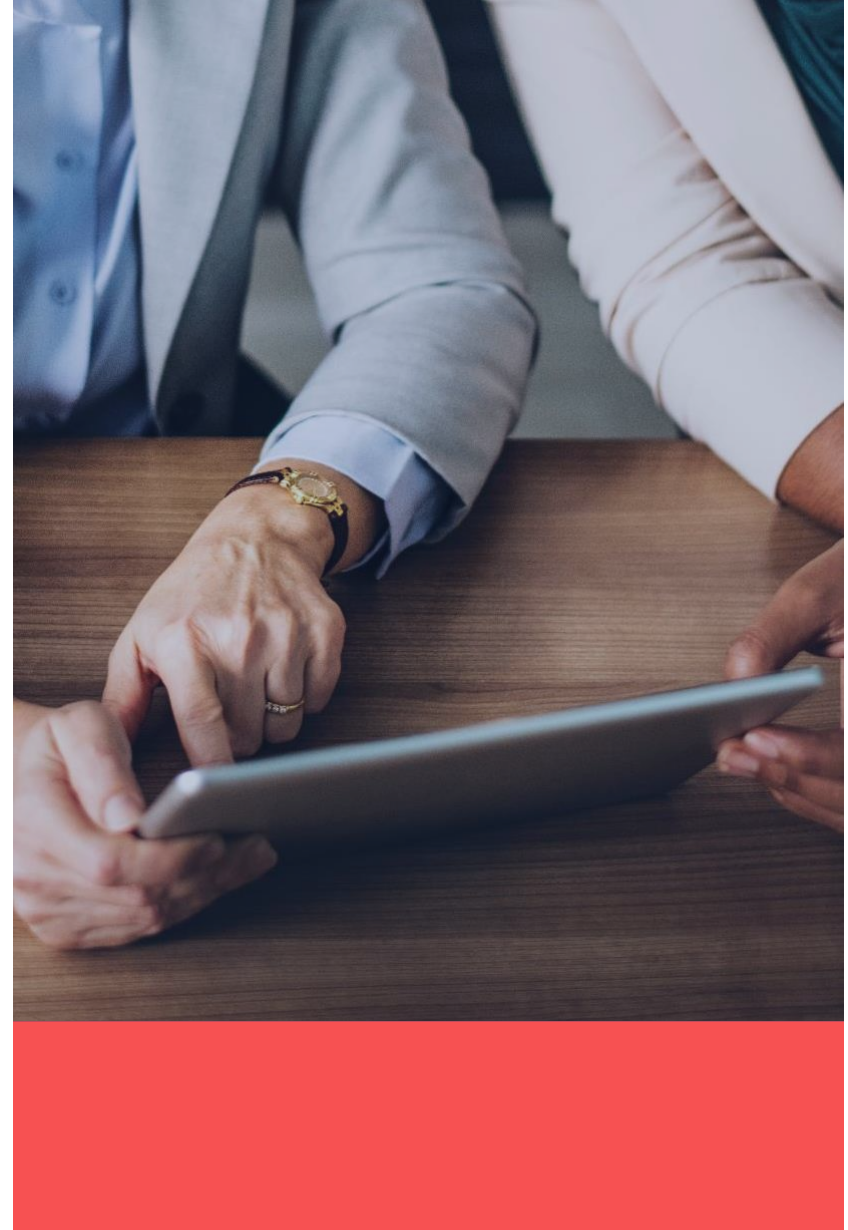
25 States

Different Provider Representatives than
Commercial

- AVERAGE 30 day DSO= 38
- AVERAGE AR over 120=15%

United Health Group

- 2nd Largest Medicaid MCO payer
- Sole Source/Preferred Provider Arrangements
 - Oxygen
 - Incontinence
 - Med Supplies
- Current Narrowing of Network
- Many states have requirement to follow Medicaid Medical Policy for Medicaid benefit
- HME is commodity belief
- Open to discussions on Value Based Models



UHC Termination Letters

- Goal – smaller, more clarified DMEPOS network
- Members can more easily find specific services
- Defined by specialty
- Ensure network continues to meet all adequacy requirements
- Separated specialties using HCPCS and industry data/past claims data

UHC Termination Letters

- Breast Pumps
- Diabetic Shoes
- Diabetic Testing
- Dynamic Splinting
- Enteral
- Insulin Therapy
- Medical Supplies
- Ostomy
- Pneumatic Compression
- Respiratory
- Standard DME
- TENS
- Urological

The Eastern Band of Cherokee Indians (EBCI) Tribal Option

<https://www.ebcitribaloption.com/>

1-800-260-9992

TTY: 711

8 a.m. to 4:30 p.m., Monday through Friday

Federally Recognized Tribal Member who lives
in Cherokee, Haywood, Graham, Jackson, or
Swain County

Enrollment

- Open Enrollment 3/15/21 to 5/14/21
- Auto Enrollment begins 5/15/21
- Most Medicaid Beneficiaries must enroll in Managed Care but some limited exceptions
 - <https://ncmedicaidplans.gov/learn/who-must-choose-health-plan>
 - Letter sent to beneficiaries informing them if they must enroll
 - Beneficiaries may also call 1-833-870-5500
 - Federal Tribal Members
 - Need Certain services to address needs for developmental disability, behavioral health, traumatic brain injury, or substance use disorder. (Innovation waiver services, CAP/C or CAP/DA)
- Beneficiaries can change plans in first 90 days or anytime after with a special reason. Online Health Plan Change Request form
- Some Providers may want to send letters to their patients letting them know the plans they are contracted with.

Operational Preparation Prior to July 1, 2021

- ✓ Develop scripts for customer service when speaking with NC Medicaid patients to begin 5/15/21
 - ✓ Ask for new plan info
 - ✓ Ask for Physician changes
- ✓ Develop Process for payer changes as Customer Service receives updated information
 - ✓ One Team/Person
 - ✓ Notification Method
 - ✓ Verification
- ✓ Review Each Plan Key Medical Policies
- ✓ Review Each Plan Billing Guidelines
- ✓ Develop/Update Internal References
- ✓ Training Class/Materials for all staff
 - ✓ Sales
 - ✓ Customer Service
 - ✓ Documentation/Billing
 - ✓ Reimbursement
 - ✓ Cash Posting



Computer System Setup Prior to July 1, 2021

- ✓ Setup New Payers in System
 - ✓ Recommend setting up new Medicaid MCO Payers
 - ✓ Secondary Payer
- ✓ Price File Setup for New Payers
- ✓ W9 on File with Payers
- ✓ EDI, ERN, EFT File Setup (Test Batch)
- ✓ Prepare for Batch or Individual Verification of all NC Medicaid Patients Prior to July 1, 2021
- ✓ Update Patient Records
- ✓ Update Active Rentals
- ✓ Update recurring supply orders
 - ✓ Activity in last 6 months-1 year
- ✓ Prepare for Authorizations on Active Rentals and Recurring Sale items with Authorizations



Executive Preparation

- ✓ Medicaid NC Census
 - ✓ Rentals by Product Category
 - ✓ Recurring Supplies by Product Category
- ✓ Budget Analysis for Cash Flow Impact
 - ✓ Plan on 60–120 day DSO for Managed Care Plans
 - ✓ Plan on increase in denial percentages
- ✓ Staffing Evaluation
 - ✓ Increased denials, increased authorizations, longer processing time
 - ✓ Reimbursement Department split by payer-Medicaid or MCO?
- ✓ Plan for Splitting of Shipments spanning into July 2021
- ✓ Plan for Focused AR review to determine issues quickly



Key Program Indicators-KPI

- Cash by Payer/HCPC (Category; i.e. Respiratory)
- DSO by Payer
- Denial % by Payer/HCPC (Category; i.e. Respiratory)
- Claim Rejections by Payer/HCPC (Category; i.e. Respiratory)
- Audits by Payer/HCPC (Category; i.e. Respiratory)
- AR AGING by Payer
 - Aging Buckets by % of total AR
- Comparison to Fee For Service for Advocacy Work
- # Touches Per Claim Per Payer
 - Calls
 - Appeals
 - Reverifications



Top Denials by Payer

- **States with MCOs**
 - Precertification Missing/ invalid (197)
 - Coordination of benefits(22)
 - Expense incurred after coverage termination (27)
- **North Carolina FFS Common Denials**
 - Pending claims for review
 - Missing/Invalid Authorization

Slide of Provider Handbook

- **Amerihealth Caritas**
 - <https://www.amerihealthcaritasnc.com/assets/pdf/provider/provider-manual.pdf>
- **Carolina Complete Health**
 - <https://network.carolinacompletehealth.com/resources/manuals-and-forms.html>
- **EBCI Tribal Option**
 - https://ebcitribaloption.com/wp-content/uploads/2021/03/PRV04-T-Provider-Manual_Final.pdf
- **Healthy Blue**
 - https://provider.healthybluenc.com/docs/inline/NCNC_CAID_ProviderManual.pdf
- **United HealthCare Community Plan of North Carolina**
 - <https://www.uhcprovider.com/content/dam/provider/docs/public/admin-guides/comm-plan/NC-UHCCP-Care-Provider-Manual.pdf>
- **Wellcare**
 - <https://www.wellcare.com/North-Carolina/Providers/Medicaid>

NCCI Contacts

- Keep up to date on edits released quarterly for procedure to procedure and medically unlikely edits.
- <https://www.medicaid.gov/medicaid/program-integrity/national-correct-coding-initiative/medicaid-ncci-edit-files/index.html>

Complaint/Appeals Process for MCO

- **Submit Comments on MCO Roll Out**
- **Email to: Medicaid.Transformation@dhhs.nc.gov**

- **Complaint Process to State**
- **Email to: Medicaid.ProviderOmbudsman@dhhs.nc.gov**
- **Call 919-527-6666**

Eligibility Unanswered Questions

- For enrollment, what is the process to be utilized in auto assigning beneficiaries that have not chosen their plans and how and by when will providers be notified of the plan choices/assignment for beneficiaries. This is important to ensure a smooth transition to Managed care. Will patients still utilize their NC Medicaid # for Managed Care?
- Will the MCO plans have specific portals used for prior authorizations/eligibility? When will this be available for new referrals and existing patients?
- For dual eligible plans, has there been any discussion of how the process will work? Does the primary autocross over to the secondary without the provider having to send the claim? Will the primary dual eligible policy payment be considered payment in full? What about non-covered services for Medicare and Medicare MCOs, will those need to be billed to the “secondary” in those cases? Example, shower chairs, or incontinence supplies (diapers).

Documentation Unanswered Questions

- Will any documentation and medical coverage criteria requirements change from payer to payer? Is the Medicaid NC CMN form still required for all plans? Some items did not require the CMN/PA form under the FFS benefit (i.e. incontinence). Will this change?
- Will items covered only under the pharmacy benefit currently be available to be paid under the DME benefit. (i.e. Continuous Glucose Monitoring)
- Will managed care plans be paying for items that are not currently paid under FFS? (i.e. Wound Care)
- How will MCOs handle exceeding quantity limits or non-covered supplies:
 - Do we need to be enrolled in any specific waiver programs?
 - If so and we are, is there a specific system we need to utilize?
 - If not, how do we enroll?

Authorization Unanswered Questions

- Is there reciprocity for authorizations between health plans when a beneficiary switches from one plan to another? Specifically concerning the DME industry because of rentals and other care that is continual. What will be the process for current authorizations transitioning to managed care?
- How are the Health Plans handling retroactive eligibility? Will providers be allowed to request authorizations retroactively in those cases?

Claims/Contracting Processing Unanswered Questions

- Is there reciprocity for authorizations between health plans when a beneficiary switches from one plan to another? Specifically concerning the DME industry because of rentals and other care that is continual. What will be the process for current authorizations transitioning to managed care?
- How are the Health Plans handling retroactive eligibility? Will providers be allowed to request authorizations retroactively in those cases?
- The provider manual has limited billing information when it comes to DME-specific billing. The Medicaid Manuals 5A-1, 5A-2, 5A-3 and 5B are extremely detailed and important for billing staff to prepare billing systems for submitting claims. Are there any expectations for billing manuals to be released from the Health Plans?

ACMESA & AAHOMECARE Fighting For You!

- Quarterly Meetings with NC Medicaid
- Advocacy Needs for MCO Plans
 - Rate Structure
 - Open Network
 - Medical Policy Consistency
 - Timeframe for Changing Payers
 - Outside Consulting Services
 - TPA/Subcontractor

ACMESA----WINNING FOR YOU!!!!

- ✓ Any Willing Provider Regulatory Language
- ✓ Beneficiaries Plan Changes in Regulatory Language
- ✓ Rate Floor-North Carolina-MCO Plans must pay no less than 100% of NC Medicaid FFS Rates
- ✓ Sales Tax Legislation passed in NC eliminating sales tax for Incontinence
- ✓ Partnership with state Medicaid programs to save \$15 Million in state CURES paybacks for NC
- ✓ Eliminated any rate reductions for 2018, 2019, 2020, 2021....Key with MCO Roll Out
- ✓ Passed legislation in NC exempting incontinence products covered by Medicaid from sales tax – saving \$2 Million annually for providers.



Left to Right: Scott Dinning, Carolina's Hometown Respiratory; John Gallagher, VGM Group; Frank Trammell, Carolina's Home Medical Equipment; Chris Burgess, Med Emporium; Regina Gillespie, Best Home Medical; Kimberly Lynn, Carolina Apothecary; Jeff Powell, ResMed; Mary Hooks, Liberty Medical Specialties; Brad Heath, Family Medical Supply; Kim Brummett, American Association for Homecare; Brian Wilson, Commonwealth HHC; Laura Williard, American Association for Homecare; Craig Rae, Penrod Medical Equipment; David Chandler, American Association for Homecare; Ronnie Rankin, Culpeper Home Medical; Beth Bowen, Executive Director



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Thank YOU for all you do for the
patients you serve!



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