

## Medicaid Update: Rural Health Clinics and Regional Care Organizations

Satellite Conference and Live Webcast  
 Tuesday, January 26, 2016  
 11:30 – 1:00 p.m. Central Time

Produced by the Alabama Department of Public Health  
 Video Communications and Distance Learning Division



## RCO Program Basics

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### Regional Care Organizations (RCOs)

RCOs are locally-led managed care organizations that will provide services for Medicaid enrollees at an established cost when the program is implemented in October 2016



Certified RCOs will assume the risk of managing the full cost of covered Medicaid services and care coordination for most Medicaid recipients

### RCOs as a Vehicle for Transformation

- The strategy is to establish a capitated managed care system through regional care organizations (RCOs)
- An RCO is a non-profit, corporate entity established under state law that is governed by a Board of Directors representing providers, the public and investors

### RCOs as a Vehicle for Transformation

- RCOs modify the delivery of services:
  - Mandatory enrollment in a care management entity
  - Medical/health home model for Medicaid recipients
  - Include most Medicaid recipients
  - Manage physical and behavioral health services

### Populations included in RCOs

- **Covered populations – Approximately two-thirds of Medicaid eligibles**
  - Aged, blind, and disabled recipients
  - Breast and Cervical Cancer Treatment Program participants
  - Adults covered under Parent/Caretaker Program (MLIF)
  - SOBRA children and adults (pregnant women)

**Populations included in RCOs**

- **Excluded populations**
  - Medicare/dual eligibles
  - Foster children
  - Hospice patients
  - ICF-MR recipients
  - Nursing home/institutional recipients
  - Plan 1<sup>st</sup> (family planning only) and unborn recipients
  - Home and Community-Based Services waiver recipients

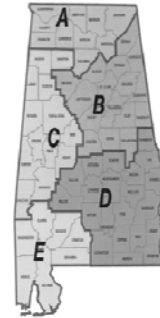
**Services to be provided by RCOs**

- **Medicaid covered services to be provided by RCOs include:**
  - Hospital inpatient and outpatient care
  - Emergency Room
  - Primary and Specialty Care
  - FQHCs/RHCs
  - Lab / Radiology
  - Mental/Behavioral Health/Substance Abuse
  - Eye Care
  - Maternity

**Services to be provided by RCOs**

- **Pharmacy is a Medicaid-covered service, but will not be part of RCOs**
- **Long term care and dental services are excluded now**

**Regional Care Organization Districts – Effective October 1, 2013**



**Probationary RCOs and Contributing Entities**

REGION A
Alabama Community Care - Region A
- Sentara
- Huntsville Hospital System
Alabama Healthcare Advantage North
- Envolve, Inc (Wholly owned by Centene)
- Individual Investors
My Care Alabama
- Healthcare Business Solutions, LLC (Wholly-owned by BCBS)
- North Alabama RCO Holding Co, LLC

**Probationary RCOs and Contributing Entities**

REGION B
Alabama Care Plan
- UAB Health Systems
- St Vincents Health System
- Triton Health Systems
Alabama Healthcare Advantage East
- Envolve, Inc (Wholly-owned by Centene)
- Ball Health Services
- Anniston EMS
- Individual Investors
- WellDyneRX

### Probationary RCOs and Contributing Entities

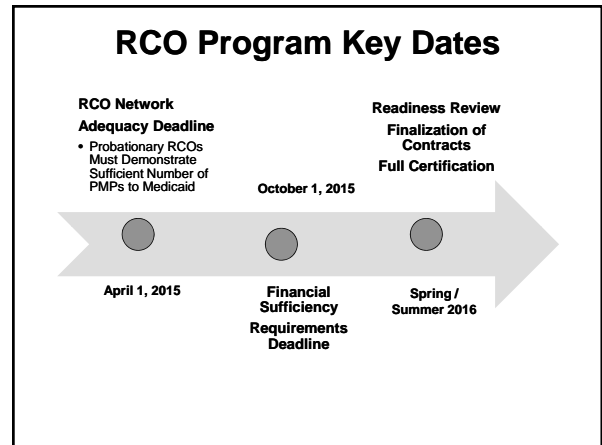
REGION C
<b>Alabama Community Care - Region C</b> - Sentara - Huntsville Hospital System - DCH Health System - Mental Health Retardation Board of Bibb, Pickens and Tuscaloosa Counties
<b>Alabama Healthcare Advantage West</b> - Envolve, Inc (Wholly-owned by Centene) - WellDyneRX - Individual Investors

### Probationary RCOs and Contributing Entities

REGION D
<b>Care Network of Alabama</b> - East Alabama Health Care Authority - East Alabama Medical Center - Triton Health Systems - Health Care Authority for Baptist Health - Houston County Health Care Authority - Univ of Ala Board of Trustees for UAB
<b>Alabama Healthcare Advantage</b> - Envolve, Inc (Wholly-owned by Centene) - Jackson Hospital - Individual Investors - WellDyneRX

### Probationary RCOs and Contributing Entities

REGION E
<b>Alabama Healthcare Advantage South</b> - Envolve, Inc (Wholly-owned by Centene), WellDyneRX, Individual Investors
<b>Gulf Coast Regional Care Organization</b> - USA HealthCare Management LLC, AltaPoint Health Care Systems



### 1115 Waiver – Key to Successful Transformation

- Will help create a Healthcare Delivery System in Alabama that:
  - Provides case management and coordinated care to Medicaid beneficiaries
  - Provides adequate access to necessary medical services to all Medicaid beneficiaries
  - Is cost efficient in providing appropriate care to Medicaid beneficiaries
  - Raises overall health of Medicaid beneficiaries

### 1115 Waiver – Key to Successful Transformation

- Provides a sustainable healthcare infrastructure
- Provides stability and predictability to state funding requirement for Medicaid
- Provides an expandable platform for care delivery to other potential populations
- **Requires Coordination Among Providers, RCOs, CMS, and the State**

### Contracting, PA and Referrals

- Providers must contract with at least one RCO in order to be paid for services; may contract with multiple RCOs.
- “Any Willing Provider” rule applies; providers are eligible to contract with any or all RCOs.
- Medicaid requires payment to providers to be no less than the prevailing FFS fee schedule in place on October 1, 2016.
- The program, PAs and referrals are to be no more restrictive than currently in place on October 1, 2016.

19

### Contracting, PA and Referrals


- Provider Contracts must be approved by Medicaid.
- NPs may participate via supervising physician

20

### Contracting, PA and Referrals

- EPSDT requirements must be met per contract
- Referral forms and process may vary from RCO to RCO
- RHCs, FQHCs are eligible to participate as providers; will receive “wrap-around” payments
- RCOs must meet minimum requirements for their service delivery networks, including certain specialty care
- CMHCs included

21



## Administrative Issues

### RCO Enrollment Process and PMP Selection

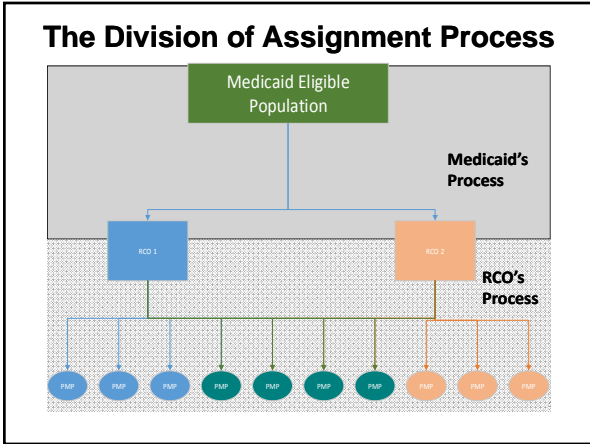
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### Assignment Process

Two levels:

- Selection of RCO via Enrollment Broker or Assignment of RCO by HP
  - Medicaid will manage auto assignments to the RCO
- Selection of PMP from RCO's Network
  - RCOs will manage all PMP panel assignments

Last Patient 1<sup>st</sup> assignment will be in August 2016 for September assignments. Patient 1<sup>st</sup> will end on September 30, 2016.



**Enrollment - RCOs**

**Summary:**

- Enrollment process will begin in July 2016 and go through August 28, 2016.
- Significant outreach planned to encourage recipients to choose an RCO
- Recipients who do not select a PMP will be auto assigned

**Enrollment - RCOs**

**Enrollment Broker:**

- Will have a list of each RCO's contracted PMPs
  - PMPs identified by name and practice group
- Will share information with recipients
- Information to be shared in a uniform, unbiased manner

**Enrollment - RCOs**

**Summary:**

- Recipients may change their choice of RCO within first 90 days; after that time, may change during annual open enrollment period
- PMP selection process determined by RCOs

**Enrollment - RCOs**

Panel size: Medicaid making recommendation to maximize RCO flexibility to manage panels

- Recipients will receive minimum services as determined by Medicaid, the same as other Medicaid recipients; RCO may add services or benefits but will not receive additional capitation payments

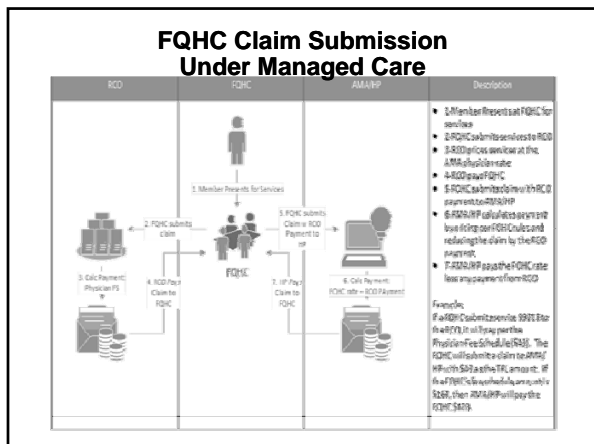

**PMP Panel Transition**

- PMPs will need to let patients know which RCOs they will be contracting with
- PMP panels may not stay intact for several reasons:
  - PMP may not have contracted with each RCO in a region
  - A recipient may choose a RCO that the PMP is not contracted with

**PMP Panel Transition**

- If a recipient does not choose a RCO, the auto assignment process will look to see if the head of household has chosen a RCO
  - If yes, recipient will be assigned to the same RCO
  - If no, recipient will be assigned



## Care Coordination

Carolyn Miller, LCSW, PIP  
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 Project Development and Quality Improvement  
 Alabama Medicaid Agency

### Care Coordination Services

The RCOs must provide Care Coordination Services to the following:

- Recipients with qualifying conditions for Health Home services
- General population in need of care coordination services
- Recipients that are pregnant

### Health Homes – An Interim Step

Health Home Program expanded statewide 4/1/15

- Interim step toward RCOs accepting full risk
- Built on successes of Patient Care Networks
- Only Probationary RCOs offered option to respond to Health Home RFP
- Executed Contracts with six RCOs 4/1/15 – 9/30/16
- Will be incorporated into RCO Program 10/1/2016

### Health Home Program vs. RCO Program

The Health Home Program and RCO Program are different Medicaid Programs implemented by the same organizations

	Health Home Program	RCO Program
<b>Impacted Providers</b>	• PMPs	• PMPs • Core Specialists • Facilities
<b>Go-Live</b>	April 1, 2015	October 1, 2016
<b>Contracted Organization</b>	Probationary RCOs	RCOs
<b>Program Objective</b>	Build case management capacity statewide	Integrate health home services and expand to managing full-risk

### Care Coordination for Complex Patients

Health Homes provide quality-driven, cost effective, culturally appropriate, and person- and family-centered health home services for Patient 1st recipients with:

- Asthma
- Diabetes
- Cancer
- COPD
- HIV
- Mental Health Conditions
- Cardiovascular Disease
- Substance Use Disorders
- Transplants
- Sickle Cell
- Heart Disease
- Obesity
  - BMI ≥ 25
- Hepatitis C

### Health Home / Care Coordination Program Services and Benefits

The Health Home program is set up to add an additional level of support to PMPs. Services for the general population beginning 10/1/2016 will be similar to the Health Home program

Service Type	Care Coordination	Transitional Care	Medication Management
Provided By	<ul style="list-style-type: none"> <li>Nurses</li> <li>Licensed Social Workers</li> </ul>	<ul style="list-style-type: none"> <li>Nurses</li> <li>Licensed Social Workers</li> </ul>	<ul style="list-style-type: none"> <li>Pharmacists</li> </ul>
Services to Include	<ul style="list-style-type: none"> <li>Completion of psychosocial assessments to determine needs of recipients</li> <li>Referral for needed resources including transportation, financial assistance, food, and support services</li> <li>Providing education regarding chronic illness and provided support in managing their care</li> </ul>	<ul style="list-style-type: none"> <li>Assist patients transitioning from one level of care to another</li> <li>Partnering with medical facilities to develop discharge plans</li> <li>Medication reconciliation</li> <li>Education and support services in managing chronic conditions</li> </ul>	<ul style="list-style-type: none"> <li>Medication reconciliation</li> <li>Education to recipients regarding medication management</li> </ul>

### Health Home and Care Coordination Benefits for Providers

- Embed care coordinators in the PMP's office**
- Integration of medical and behavioral health**
  - Behavioral Health Nurses link recipients to needed care
- Network with regional providers**
- Shared learning and technical assistance**
  - Compare practice patterns for efficiencies and cost savings measures
- Additional time**
  - Care coordinators free-up PMP office resources

### Care Coordination Qualifications

Health Homes and General Population:

- Care Coordinators must be licensed social workers or BSNs.
- Behavioral Health Nurses must be at a minimum, RNs with experience in the Behavioral Health Field.
- Transitional Care Nurses must be BSNs.

### Care Coordination Training

Care Coordination Training Must include the following:

- Person-centered care planning process
- Cultural and disability competence
- Communication
- Accessibility and accommodations
- Abuse, neglect and exploitation
- Medication Management
- Community Resources
- Risk and Safety Planning

**On the Web: [www.Medicaid.Alabama.gov](http://www.Medicaid.Alabama.gov)**  
**> Newsroom > Regional Care Organization**  
**Questions: [RCOPortal@Medicaid.Alabama.gov](mailto:RCOPortal@Medicaid.Alabama.gov)**