Paving the Way to a Healthier Louisiana: Advancing Medicaid Managed Care

Public Comment Summary

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Louisiana Medicaid

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LOUISIANA DEPARTMENT OF HEALTH

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1 Executive Summary

In spring of 2018, the Louisiana Department of Health (LDH or "the Department") endeavored to provide transparency into the Department's objectives and to solicit stakeholder input on the future design of the Louisiana Medicaid managed care program. LDH published a white paper entitled "*Paving the Way to a Healthier Louisiana: Advancing Medicaid Managed Care*[1]," and hosted eight public forums in Alexandria, Baton Rouge, Lake Charles, Lafayette, Monroe, New Orleans, Shreveport and Slidell. White paper commenters and public forum attendees included health care providers, insurance companies, legislators, public health organizations, Medicaid recipients, advocacy/lobbying organizations and government agencies. As a result of these public engagement initiatives, stakeholders provided over 500 verbal comments in addition to over 30 written responses.

The white paper and public forum presentations focused on 12 policy areas:

- Number of statewide managed care organizations (MCOs)
- Expectation for MCOs to operate as innovators to achieve the Triple Aim
- Enhance network adequacy and access standards
- Invest in primary care, timely care, telehealth and medical homes
- Improve integration of physical and behavioral health services
- Advance value-based payment and delivery system reform
- Promote population health
- Improve care management
- Increase focus on health equity and social determinants of health
- Apply insights from behavioral economics to facilitate enrollees' health behaviors
- Improve approach to value-added benefits
- Achieve administrative simplification

The comments received were robust, thoughtful and provided a clear picture of the current MCO landscape. While there was strong provider representation at the public forums, relatively few Medicaid enrollees attended. This resulted in limited enrollee perspective in the feedback received. Overall, the Department gathered a number of valuable insights that it will take into consideration in its development of the next managed care Request for Proposals (RFP).

2 Background

LDH is currently planning its third procurement cycle for the state's Medicaid managed care program. The program has evolved considerably since its inception in 2012, with services and populations added to the program year over year. Most recently, the state has experienced improvements in health metrics as a result of expansion enrollment in the managed care program. The Department's guiding principle with the upcoming procurement is the simultaneous pursuit of the "Triple Aim" of better care, better health and lower costs.

[1] "*Paving the Way to a Healthier Louisiana: Advancing Medicaid Managed Care"* can be found at http://www.ldh.la.gov/index.cfm/page/2997

More specifically, the white paper and the forums provided venues for the Department to articulate its vision for the Louisiana Medicaid program, and the goals for which it will hold the contracted health plans accountable for:

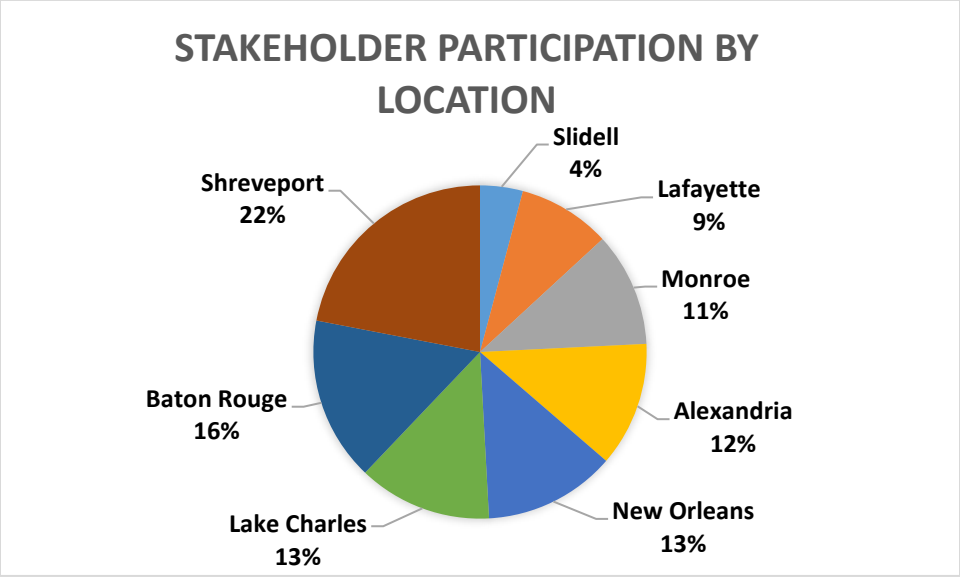
i. advancing evidence-based practices, high-value care and service excellence;
ii. supporting innovation and a culture of continuous quality improvement in Louisiana;
iii. ensuring enrollees ready access to care, including through non-traditional means such as medical homes and telehealth;
iv. improving enrollee health;
v. decreasing fragmentation and increasing integration across providers and care settings, particularly for enrollees with behavioral health needs;
vi. using a population health approach to maximize enrollee health, supported by health information technology, to advance health equity and address social determinants of health;
vii. reducing complexity and administrative burden for providers and enrollees;
viii. aligning financial incentives for plans and providers and building shared capacity to improve health care quality through data and collaboration; and,
ix. minimizing wasteful spending, abuse and fraud.

The Department plans to issue a competitive RFP in early 2019 and execute new Medicaid managed care contracts prior to an operational start date of January 1, 2020. These MCO contractors will work with the Department to implement its vision for better care, better health and lower costs.

3 Stakeholder Participation

Over 500 stakeholders across eight locations participated in the public forums. In addition, LDH received more than 30 written responses to the white paper. Figure 1 below shows the distribution of stakeholder participation by location.

Figure 1: Stakeholder Participation by Location



Figures 2 and 3 highlight participation by stakeholder type. The provider community represented the largest portion of stakeholders. Of note, there was significant participation by the behavioral health provider community.

Figure 2: Public Forum Stakeholder Representation

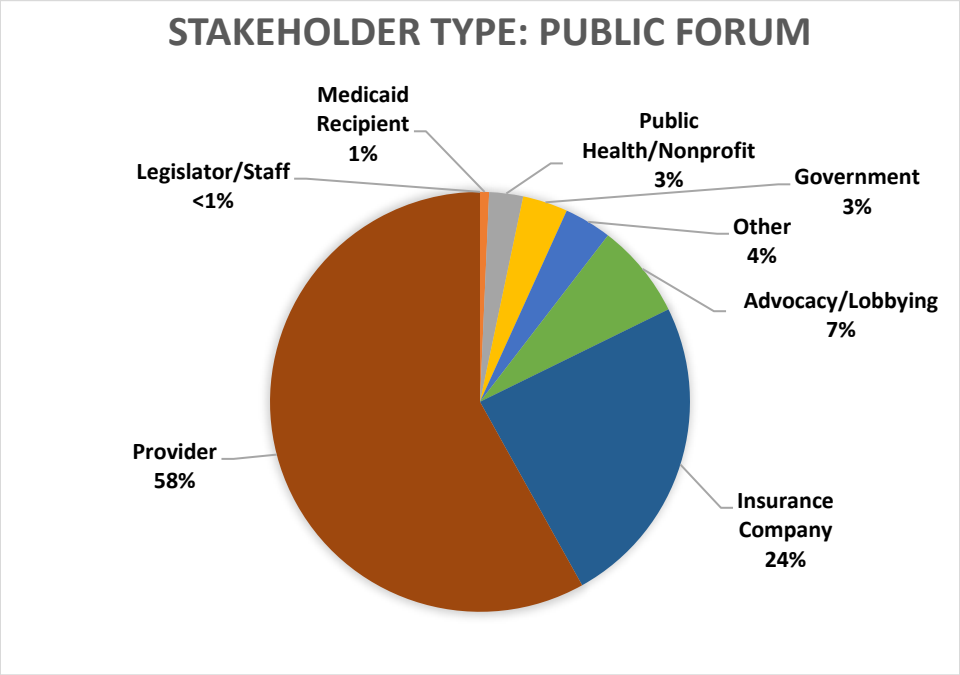
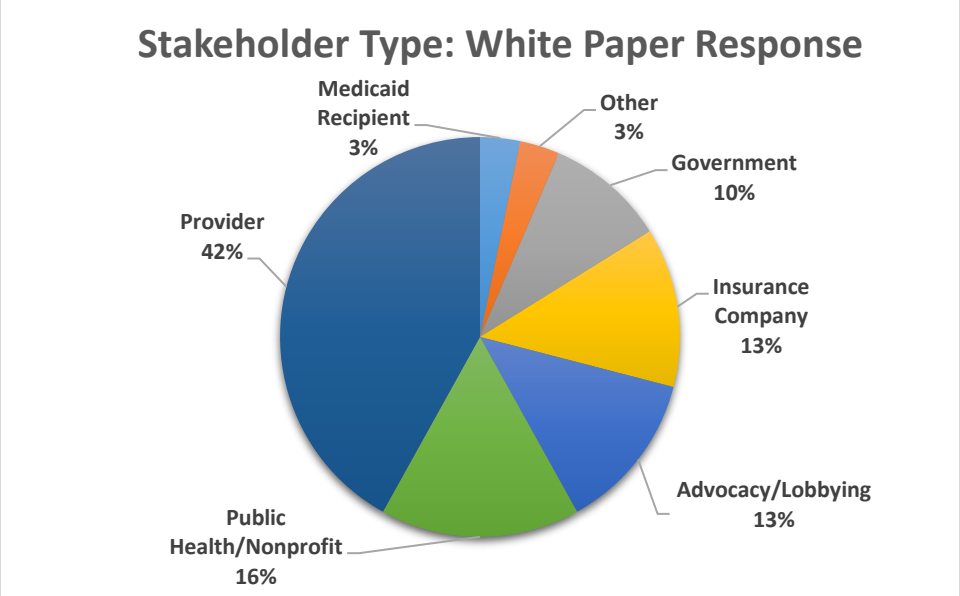


Figure 3: White paper Response Stakeholder Representation



4 Stakeholder Input

This section summarizes the stakeholder input received in relation to the 12 policy areas outlined in the white paper and noted above in the Executive Summary.

Limit the Number of Statewide MCOs

Input Requested

For efficiency and administrative simplification, and to better enable MCOs to respond to increasing expectations, the Department is considering a reduction from the current number of contracted MCOs as part of the upcoming procurement. LDH requested recommendations on the maximum number of statewide MCOs the state should contract with for Medicaid.

Stakeholder Feedback

Across the board, stakeholders expressed strong agreement on reducing the number of MCOs. Most frequently, participants stated that reducing the number of MCOs to two or three would streamline processes and limit administrative burden while still allowing some level of market competition among the MCOs. Several participants expressed concern that a single MCO would create a monopoly, leaving enrollees "stuck" with just one choice.

Expect MCOs to Operate as Innovators to Achieve the Triple Aim

Input Requested

The Department's guiding principle with the upcoming procurement is the simultaneous pursuit of the "Triple Aim" of better care, better health and lower costs. Achieving LDH's vision requires state policies and procurements that promote a culture of learning. In order to achieve this goal, LDH requested recommendations as to how best to advance evidence-based care and ideas for how MCOs can offer innovations to reduce program complexity, administrative burden, and unnecessary costs while improving care and population health in partnership with providers and patients.

Stakeholder Feedback

Participants suggested that MCOs recommend and implement innovations proven successful in other states. One commenter suggested that MCOs should compete by implementing programs that improve outcomes, allowing LDH to identify which programs had the best outcomes and establish policies consistent amongst the MCOs based on the proven efficacy of specific programs. Consistently heard across all public forums, commenters also suggested that LDH require MCOs to use consistent clinical criteria and decision support systems (e.g., InterQual vs. Milliman). Stakeholders further asserted that evidence-based care should be financially supported and incentivized at the provider level to ensure the Medicaid provider network has sufficient resources to meet the staffing and technological requirements of providing high quality care, which can require significant upfront investment.

Other feedback included a request that LDH contract with a single MCO (or limited MCOs) to serve certain populations such as foster children and enrollees with behavioral health needs. Additionally, there were requests to implement a medical home model of care, which links patients to specific providers within the MCO network. Public forum participants also asked LDH to more clearly consider provider engagement and satisfaction in the monitoring and oversight of MCO performance.

Enhance Network Adequacy and Access Standards

Input Requested

LDH will continue to enhance MCO network adequacy and access standards as well as oversight mechanisms for ensuring MCO compliance with these standards. The Department requested suggestions for changes to enable LDH and its contracted MCOs to improve and ensure enrollees' ready access to covered services, specifically in rural and underserved areas. LDH also solicited ideas and methods for how best to monitor MCO provider networks to better assess the adequacy and timeliness of access to care for MCO enrollees.

Stakeholder Feedback

A primary theme across public forums centered on issues related to inadequate specialist and home health networks. Forum participants also mentioned several other specialties for which access is limited, including neurology and physical therapy. Some noted that limited access to specialists is of greater concern in rural areas, but others posited that there are issues across the state with specialist availability. Participants suggested that the state increase reimbursement for telehealth in order to improve wait times and address concerns with geographic availability of specialty services as well as transportation-related access issues.

A second theme of this topic concerned provider lists that MCOs are expected to maintain and publish for provider and enrollee use. Commenters shared that out-of-date provider lists make it difficult to appropriately refer patients. Forum participants described this as a two-part problem: first, some providers on the list are no longer in the MCO network or are no longer practicing, and second, some providers whose names appear on the MCO lists consistently refuse to accept new Medicaid patients. In one case, a commenter noted that a provider on a list they were given had been retired for ten years. A suggested solution to this involved inventorying providers by region, type and willingness to accept new Medicaid patients so that providers and enrollees have a clearer picture of what providers and services are available to them.

Finally, concerns about the Medicaid reimbursement rates were cited as a potential cause for limited network participation and closed provider panels. Many observed that providers may be unwilling to accept new Medicaid patients or contract with MCOs because low Medicaid reimbursement rates make it a financially unviable option.

Several participants also recommended:

- MCOs use nurse triage lines and remote patient monitoring
- MCOs be more involved in coordinating substance abuse placement and coordinating inpatient psychiatric hospital admissions

Invest in Primary Care, Timely Access to Care, Telehealth and Medical Homes

Input Requested

LDH is committed to procuring MCOs dedicated to investing in primary care and embracing activities to facilitate and support practice transformation into medical homes. The Department sought input on ways MCOs might demonstrate initiatives that would improve enrollee access to primary care; encourage the use of telemedicine, telehealth and e-visits; employ technologies to facilitate primary

care access and coordination of care; and increase practice transformation into medical homes to reduce the fragmentation of service delivery and create a more effective health care system.

Stakeholder Feedback

Stakeholder enthusiasm for telehealth and its potential to alleviate issues of access to care and broaden specialist services, particularly in rural areas, was evident both at the public forums and in the white paper comments. Participants did, however, identify several potential barriers to wider use of telehealth, including:

- Infrastructure costs
- Set-up requirements
- Reimbursement issues such as who can be reimbursed, when, and for which services

Suggestions were made to provide reimbursable services in locations that are convenient to enrollees, such as schools, community health centers and mobile primary care centers. Some participants suggested that LDH consider requiring MCOs to use after hours and chronic care management reimbursement codes.

Additionally, some commenting providers indicated support for models that enable MCOs to contract with provider networks on a risk-adjusted percent of a per-member-per-month payment to create the required financial structure to support enhanced primary care roles.

Improve Integration of Physical and Behavioral Health Services

Input Requested

LDH recognizes the importance of integrating health care to effectively address enrollees' needs and improve their overall health status. The Department requested suggestions for ensuring improved integration of physical and behavioral health service delivery in MCO contracts, as well as specific strategies for network development, care delivery and care coordination that LDH could encourage or require MCOs to employ.

4.1.1 Stakeholder Feedback

Many participants noted reimbursement levels and access issues serve as the primary barriers to physical and behavioral health integration. In general, participants recommended two strategies for minimizing these barriers: (1) allowing providers, specifically FQHCs, to bill for same-day services; and (2) instituting co-location of primary care and behavioral health providers.

Participants recommended additional strategies for network development, care delivery and care coordination, including:

- Network Development
    - Coordinate data systems between primary care, behavioral health and community providers (home visiting, schools, school-based health clinics, etc.) to reduce multiple administrations of the same screenings.

    - Develop one referral list for behavioral health care that details provider specialties and accepted MCO plans. Some enrollees feel the current referral process is haphazard, with minimal consideration for where the enrollee lives, cultural awareness and specific behavioral health needs.
    - Standardize behavioral health reimbursement and policies across MCOs.
- Care Delivery
    - Increase at-home access to behavioral health services for enrollees with illnesses that prevent them from being in the community.
    - Allow for more than one hour for a behavioral health visit, if feasible and needed.
    - Expand the use of tele-psychiatry.
    - Expand options for rehabilitative services for enrollees with substance use disorders.
    - Allow non-traditional providers to provide behavioral health services in the primary care setting.
- Care Coordination
    - Reimburse care coordination services.
    - Provide behavioral health providers with access to enrollees' physical health histories and vice versa.

Stakeholders also suggested that LDH look to the U.S. Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) for collaborative opportunities and models.

Advance Value-Based Payment (VBP) and Delivery System Reform

Input Requested

As the Department expands its VBP efforts within its Medicaid managed care program, LDH sought stakeholder input on how contracted MCOs can best promote adoption of new payment methodologies that move away from traditional fee-for service payment at the provider level and towards a VBP system that is intended to reward providers for the value they create. The Department solicited feedback pertaining to provider readiness to participate in VBP arrangements, including Accountable Care Organizations (ACOs) by 2020, in addition to what support would be needed from LDH and MCOs to enable providers to successfully participate in alternative payment models.

Stakeholder Feedback

Stakeholder suggestions focused on aligning quality performance measures with non-Medicaid plans in order for providers to be able to focus on a strategic set of measures. Participants advised that payment models should be local and requested MCOs conduct an assessment of regional care gaps/needs to identify targeted VBP solutions that incorporate both support mechanisms and the ability to tailor to smaller providers.

Some commenters suggested Louisiana providers would not be ready for advanced VBP/ACOs in the next managed care procurement, while others suggested a pilot or demonstration project on a smaller scale in order to identify and address issues before broader scaling and to allow time for provider adoption in order to responsibly transition to full scale.

Stakeholders also articulated the following priority areas where they feel support from MCOs and LDH is needed to successfully advance the Department's VBP and delivery system reform goals:

- Timely, easily accessible, accurate, comprehensive and actionable data that is standardized across MCOs. Some proposed that LDH partner with a data contractor for this purpose.
- VBP arrangements that adequately adjust for risk, taking into account both physical health and social factors, to ensure providers are not dis-incentivized to provide care to patients with more complex health needs.
- Additional detail from LDH regarding VBP and quality performance measurement priorities and implementation plans.

Promote Population Health

Input Requested

Population health management requires an emphasis on health promotion and disease prevention and incorporates community-based health and wellness strategies. LDH requested suggestions regarding identification of key aspects of a population health strategic plan as well as requirements that should be placed on MCOs in terms of utilizing a population health approach to care delivery.

Stakeholder Feedback

Stakeholder suggestions centered on MCO partnerships with community organizations already working to promote population health, e.g., schools, churches, grocery stores and recreation and community centers. Stakeholders suggested that population health strategic plans should consider/include:

- Regional coalitions, health care and social service partners that are regionally-based and are developed in collaboration with OPH;
- Smoking, obesity and sedentary lifestyles as priorities;
- An advisory board comprised of at least 50 percent enrollees to oversee strategic plan implementations;
- Technology-based supports (e.g. text and web-based tools) for physical and behavioral health management; and
- A focus on health outcomes.

Improve Care Management/Care Coordination at MCO and Provider Levels

Input Requested

Care management emphasizes prevention, continuity of care and coordination of care, which advocates for and links enrollees to services as necessary across providers and care settings. LDH requested feedback and suggestions for improving care management and care coordination at both the MCO and provider levels. The Department also sought stakeholder opinions as to whether MCOs should be required to employ, support, and/or utilize Community Health Workers for certain populations and care management interventions.

Stakeholder Feedback

Stakeholders reported that reimbursement for care management is a significant challenge. While care management is generally a coordinated effort between providers and MCOs, it was reported that providers require more support from MCOs. It was suggested that MCO representatives with whom providers interact with by phone often lack clinical expertise and require a better understanding of provider health care settings and clinical services in order to help address the clinical issues at hand. Stakeholders suggested that LDH should require MCOs to improve coordination with hospital case

managers and discharge planning practices and allow providers to follow patients across the health care system regardless of the MCO in which they are enrolled. Commenters also proposed that MCOs (via portals or other effective means) should notify providers when a new patient is added to a panel and increase education about medical billing and coding to help mitigate issues with changes in level of care. Stakeholders expressed strong support for Community Health Workers.

Increase Focus on Health Equity and Social Determinants of Health (SDOH)

Input Requested

In the next generation managed care contracts, LDH plans to require MCOs to collect and analyze data to systematically stratify enrollees to ensure those with increasing health risks and social needs are identified and connected to applicable population health management services. LDH requested stakeholders offer ideas and strategies that LDH can utilize to increase MCO focus on SDOH and health equity.

Stakeholder Feedback

Stakeholders suggested the RFP prioritize SDOH most affecting health in Louisiana, including housing, food security, childcare and transportation. In particular, stakeholders raised significant concerns regarding transportation-related issues and policy considerations, requesting that the Department address stakeholder reports of lengthy wait times for transportation, providing notice for reimbursable transportation, accountability of transportation providers, and rural access to transportation.

Stakeholders also suggested MCOs collaborate with and support providers in delivering or linking to social services and supports; contract with entities to provide SDOH services, such as community-based social service and volunteer organizations; and report on certain quality and outcome metrics by race and ethnicity to enable measurement and tracking of health equity goals.

Multiple stakeholders noted that further data, research, and evaluation is needed to fully understand and target SDOH among high needs/high-risk populations and expressed concerns about placing the onus for addressing these issues on providers. Commenters suggested that providers be reimbursed for measures taken to address SDOH and offered several suggestions for MCO and provider reimbursement methodologies.

- Utilize the medical loss ratio calculation to establish that investments in social services are services for enrollees rather than administrative costs.
- Offer incentive payments to MCOs on top of capitation payments for meeting specific metrics related to social determinants of health.
- Pursue withholds to encourage MCO investments in social interventions, and integrate efforts to address social issues into quality improvement activities.
- Incentivize MCOs to coordinate social services using enhanced per-member-per-month payments or by including social services in shared savings arrangements.
- Classify certain social services as a covered benefit and provide a risk-adjusted payment that reflects the impact of social determinants of health.
- Reimburse providers for the provision of coordination services that do not involve a face-to-face visit with the enrollee.

Apply Insights from Behavioral Economists to Facilitate Enrollees' Healthy Behaviors and Choices

Input Requested

LDH is exploring how best practices in healthcare design, through the lens of behavioral economics, can be applied in Medicaid to facilitate behavior change that leads to improved health, closed care gaps and optimized spending on medical care. LDH requested input on how MCOs can best use behavioral health economic practices to incentivize enrollees for healthy behaviors and medical compliance as well as to share insights based on experiences with applying behavioral health economics in other insurance settings.

Stakeholder Feedback

Stakeholder feedback emphasized a focus on motivations and behaviors related to appointment no-shows and medication non-compliance. Participants suggested that direct engagement with enrollees may foster an understanding of the barriers to treatment compliance and to services (i.e., transportation, job, cultural concerns) – as well as what personally motivates enrollees. Suggested incentives included initial rewards based on positive actions and a reward that encourages enrollees to remain engaged in their health care by rewarding consistent attendance to appointments. Some stakeholders proposed that rewards should be backed by evidence, such as reducing mortality rates and/or improving quality of life, and be designed to help the enrollee implement that behavior change. Stakeholders suggested that incentives should be program-based (i.e. smoking cessation and weight loss) with less emphasis on monetary incentives. Stakeholders also suggested that LDH evaluate MCOs on their ability to demonstrate an understanding of decisions their enrollees make and why. Stakeholders suggested MCOs should:

- Demonstrate experience using outcomes and objective data to guide the development of incentive programs;
- Rely on experts in the field and utilize community health workers to engage and tap in to behavioral health economics to facilitate change; and
- Consider monitoring and feedback loops to providers when such services are accessed and successful.

Improve Approach to Value-Added Benefits

Input Requested

The Department expects MCOs to incorporate value-added benefits and services to enrollees and providers at no additional cost to the state. In the next procurement, in order to simplify the program for provider and enrollees, LDH is considering having bidders select from a "menu" of value-added benefits they may offer. Suggestions were collected relating to whether and how MCOs should be able to offer value-added benefits and services under the next procurement and if these benefits should apply to enrollees, providers or both.

Stakeholder Feedback

Participants raised a number of questions about the efficacy of value-added benefits and shared mixed feelings on whether rewards and incentives work. Suggestions included rewarding patients and providers for outcomes, such as the completion of a group of related services (i.e. attending all prenatal appointments with the same provider). LDH heard consistently from many participants that the value of

dental benefits are too low and do not meet enrollees' needs. Some stakeholders suggested MCOs use value-added benefits to cover the following services:

- Care coordination programs provided by hospitals, clinics, and other providers
- Palliative care services provided by hospitals
- Enhanced dental benefits
- Incentives for taking advantage of prenatal and pediatric services
- Weight management programs
- Smoking cessation programs

Stakeholders also suggested that LDH consider aligning initiatives with those of other state agencies; for example, breast pumps to support breastfeeding, cribs to support safe sleep, and job search assistance to support employment.

Achieve Administrative Simplification

Input Requested

LDH plans to employ multiple strategies for achieving the Department's aim for greater administrative simplification in its Medicaid managed care program for both providers and enrollees. The Department sought ideas to make the program less burdensome for providers by reducing paperwork, redundancies and improving clarity of clinical criteria. The Department also solicited ideas for lessening the administrative burden and program complexity for enrollees.

Stakeholder Feedback

Consistency and standardization across the MCOs was the primary theme, with multiple participants suggesting: (1) uniformity of MCO policies and procedures, clinical criteria, supporting tools (e.g., forms and portals) and administrative processes such as prior authorizations, utilization management and audits; (2) more focus on denied claims with a need to standardize elements on claim formats to improve claims acceptance and processing efficiency; (3) LDH revisit and possibly remove the peer-to-peer prior authorization review process; and (4) a redesign of the payer recoupment process.

Other commenters suggested LDH consider:

- Requiring MCOs to use more efficient and directed electronic communications (e.g., other than fax blast);
- Deadlines for MCOs to communicate decisions to providers;
- An advisory group or "clinical ombudsman" to facilitate feedback from providers and consumers regarding program improvements;
- Additional transparency into what services are covered under each MCO, such as a searchable database that allows clinic staff to easily determine what services are billable; and
- A hotline for providers and/or patients to address issues they feel are not being adequately addressed by the MCO.

There was significant discussion in the public forums regarding administrative simplification topics that LDH is already addressing as part of the current MCO contracts, including simplification of provider credentialing, enrollment, and directories through a single provider enrollment entity, as well as preferences for a single formulary/preferred drug list across all MCOs.

5 Next Steps

The Department appreciates the significant participation from stakeholders across the state and the thoughtful feedback relayed about the current Medicaid managed care program and the future program design. LDH is actively considering stakeholder feedback as it develops Medicaid managed care strategies, policies and content for the competitive RFP that it will release in early 2019.

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