



# Making **MEDICAID** Better

For your **FAMILY**. For your **HEALTH**. For our **STATE**.

## A Coordinated Care Network Resource Guide for Providers

"This is our time to change the face of health care in Louisiana."

- DHH Secretary Bruce D. Greenstein

# OVERVIEW FOR PROVIDERS

The state, through the Department of Health & Hospitals (DHH), is proposing to transform Medicaid during the next year, moving away from the current fee-for-service system and more effectively managing Medicaid enrollees' health care through the implementation of a Coordinated Care Network (CCN) model of care.

CCNs are designed to provide better health outcomes for Louisiana residents, and include a stronger focus on coordinating care, managing chronic conditions and diseases and encouraging healthy behaviors than is possible with the resources in the current Medicaid program. More than a quarter of the state's population receives health care coverage through Medicaid or the Louisiana Children's Health Insurance Program (LaCHIP), and coordinating care will improve enrollees' health and lead to a higher quality of life.

## IF YOU ARE:

- A Dentist
- A Pharmacist
- A Psychologist/Psychiatrist/  
Behavioral Health Specialist
- A Nursing Home Provider
- A Waiver Services Provider
- A Personal Care  
Services Provider

This kit will give you general information about CCNs, but your services will not be part of the initial CCN core benefits and services.

## IF YOU ARE:

- A Primary Care Provider
- A Hospital
- An Obstetrician
- A Nurse Practitioner
- A Pediatrician
- Other General  
Internist or Family  
Medicine Physician
- A Nurse Midwife
- A Home Health Agency
- A Lab or  
X-Ray Technician
- An Emergency or  
Non-Emergency  
Transportation Provider

This information kit is a resource to help you understand how the proposed CCN implementation will affect you and your patients, and make you aware of important upcoming dates regarding enrollment and activation of the networks.

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Louisiana's Medicaid providers deliver a valuable service to the state's Medicaid patients, and your input and continued participation are critical as the state works to create a care delivery system that leads to better health outcomes and more effectively coordinates services and treatment.

## What is a CCN ?

A CCN is a form of Medicaid delivery system – an entity that coordinates the delivery of services to Medicaid recipients. The CCN model is based around providing a continuum of evidence-based care, driven by quality and cost-effectiveness measures.

## How will the CCNs operate?

Louisiana is offering two CCN models, which would be implemented simultaneously:

1. **The CCN-Shared Savings (CCN-S)** model is an Enhanced Primary Care Case Management (ePCCM) model that includes a network of primary care providers who are responsible for providing primary care services and coordinating other services in the network in exchange for an enhanced per-member per-month care management fee paid to that CCN. Participating network providers will continue being reimbursed on a fee-for-service basis by the Medicaid fiscal intermediary. The CCN-S will be responsible for service utilization and claims pre-processing.
2. **The CCN-Prepaid (CCN-P)** model is a full-risk, capitated model that receives a risk-adjusted, per-member per-month fee in exchange for providing certain Medicaid covered services, including physician, hospital, laboratory and X-ray, durable medical equipment, orthotics and certain supplies, and emergency and non-emergency transportation. In this model, prior authorization and claims payment are handled directly through the CCN-P.

## Will CCNs get to determine which medical services to provide patients ?

The amount, duration and scope of services any CCN offers cannot be less than what recipients have in fee-for-service Medicaid. CCNs do have the option to provide expanded services. Some health services are “carved out,” meaning they are still included as services covered by Medicaid, but they will not be paid by the CCN. These will continue being paid as fee-for-service after CCN implementation. Carved-out services include dental, specialized behavioral health services, pharmacy, long-term care and personal-care services. Providers offering these types of services will not need to enroll with a CCN.

## Which Medicaid recipients will enroll with a CCN?

Most of the state’s Medicaid and LaCHIP recipients (an estimated 865,000 of the current 1.2 million enrollees in Medicaid) will be enrolled in a CCN.

### THE FIRST RECIPIENTS TARGETED FOR CCN ENROLLMENT ARE :

- Medicaid and LaCHIP recipients under age 19
- Parents of Medicaid recipients under age 19
- Pregnant women
- Enrollees who receive Medicaid because of age, disability or blindness.

The state will provide extensive outreach and guidance to these enrollees so they can choose their own CCNs and primary care providers. Enrollees will receive the tools and encouragement they need to make better choices, and will be able to play a greater role in directing their health care.

## RECIPIENTS WHO CAN VOLUNTARILY ENROLL WITH A CCN ARE:

- **Children under age 19 who**
  - *receive SSI*
  - *are in foster care*
  - *are in juvenile justice custody*
- **Native Americans**

These recipients will have the option of selecting a CCN or remaining as Medicaid fee-for-service recipients.

## RECIPIENTS WHO ARE NOT PART OF THE INITIAL CCN IMPLEMENTATION ARE:

- **Residents of a long-term care facility**
- **Medicare dual eligibles**
- **Individuals enrolled in a Home and Community Based Waiver**
- **Recipients enrolled in Medicaid only for family planning services**
- **Louisiana Health Insurance Premium Payment (LaHIPP) participants**
- **Children in the LaCHIP Affordable Plan**

These groups of recipients will remain in fee-for-service Medicaid. Providers can elect to provide treatment through CCNs while remaining fee-for-service providers to treat their patients who might not be in a CCN.

## Do I have to join a CCN ?

Medicaid providers are not obligated to join a CCN. However, the State anticipates that roughly 865,000 of the current 1.2 million Medicaid enrollees will be mandatorily enrolled in a CCN. If you wish to continue serving your Medicaid patients and they fall into the mandatory enrollment categories, you should consider your CCN options.

Providers can contract with as many CCNs as they choose, and can also remain fee-for-service Medicaid providers. This is important because not all Medicaid recipients will transition to CCNs; some will remain fee-for-service.

## How will the State select CCNs?

DHH will use *a competitive procurement process*, with a Request for Proposals (RFP) anticipated in early April 2011, to select the CCNs. Potential CCNs will prepare a proposal for review and scoring by DHH, and the best networks will be selected to contract with the State. This allows DHH to limit the number of CCNs operating in the state, selecting only those that demonstrate they can meet the targeted health outcomes the state hopes to achieve, while *reducing the administrative burdens for providers*.

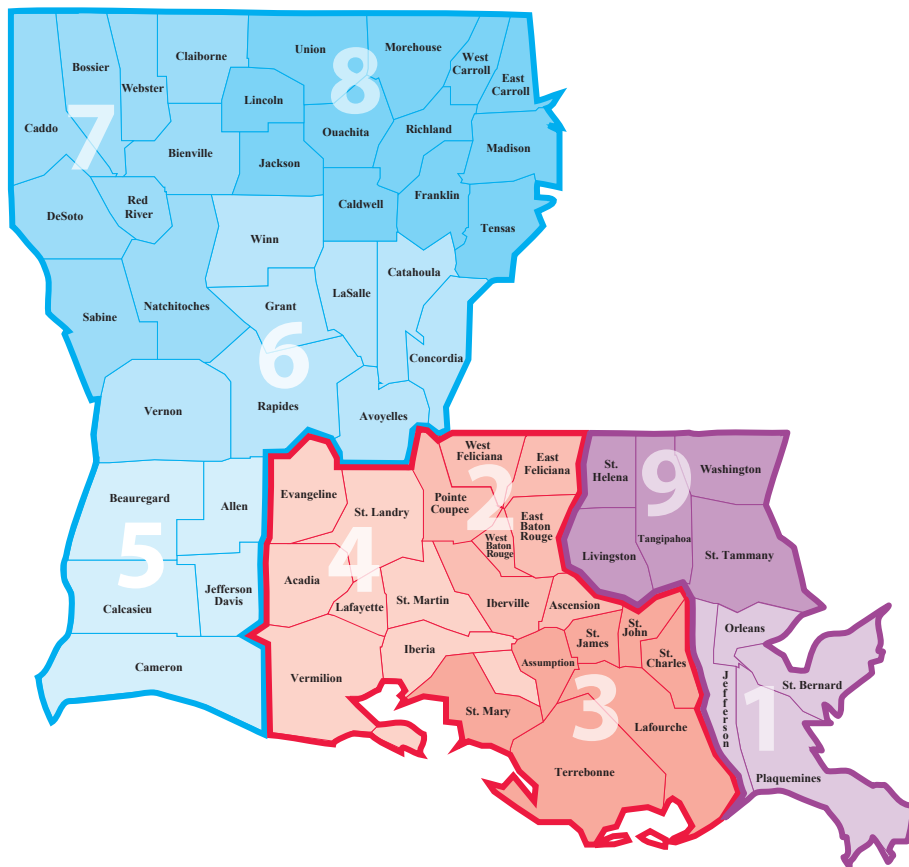
## How many CCNs will there be in the State ?

For CCN purposes, DHH has divided the state into three Geographic Service Areas (GSAs). Each GSA is limited to three CCNs of each model – three prepaid and three shared savings – meaning each GSA will have a maximum of six CCN options.

## What is the timeline for implementing CCNs in Medicaid ?

The state will implement CCNs in three stages, using Louisiana Geographical Service Areas (GSA).

## PROPOSED CCN IMPLEMENTATION by Regions



■ **PHASE 1:**  
REGIONS 1 and 9  
New Orleans area and  
Northshore recipients  
JAN. 1, 2012

■ **PHASE 2:**  
REGIONS 2, 3 and 4  
Capital area,  
South Central Louisiana  
and Acadiana recipients  
MARCH 1, 2012

■ **PHASE 3:**  
REGIONS 5, 6, 7 and 8  
Southwest Louisiana,  
Central Louisiana and  
North Louisiana recipients  
MAY 1, 2012



## KEY DATES FOR CCN IMPLEMENTATION

The CCN implementation timeline is dependent on the completion of several steps, including oversight by state and federal entities. Below are key dates for CCN implementation.

**April 11, 2011**

DHH issues Requests for Proposals

**April 29, 2011**

Written Questions to the RFP due to DHH

**June 24, 2011**

CCN Proposals due to DHH

**August 1, 2011**

Announcement of CCN Contract Awards

**November 15, 2011**

Choice Letters Mailed to Enrollees in GSA 1

**January 1, 2012**

Go Live Date for Enrollees in GSA 1

**January 15, 2012**

Choice Letters Mailed to Enrollees in GSA 2

**March 1, 2012**

Go Live Date for Enrollees in GSA 2

**March 15, 2012**

Choice Letters Mailed to Enrollees in GSA 3

**May 1, 2012**

Go Live Date for Enrollees in GSA 3

Prior to each service area's Go Live Date, DHH will send information to recipients in those areas, giving them extensive information on their available options, detailed instructions for how to select a CCN and reminders about their deadlines for selecting a CCN. There will be multiple opportunities for enrollees to receive personal assistance with their choices, either via telephone or face-to-face.

## HAS THE STATE MADE ANY IMPROVEMENTS TO THE CCN PROPOSAL TO ADDRESS PROVIDERS' INITIAL CONCERNS?

During the last quarter of 2010, Louisiana Department of Health and Hospitals Secretary Bruce Greenstein and DHH staff members held public forums and countless meetings with legislators, providers, advocacy groups, health care organizations and other stakeholders to get their input on Louisiana's proposal to implement CCNs in Medicaid. As a direct result of this feedback, DHH made several improvements that are included in the Notice of Intent to implement CCNs, addressing stakeholders' concerns. These improvements include:

- **Using a competitive procurement process (Request for Proposals) to limit the number of CCNs operating in the state.**  
DHH recognizes that it would be burdensome for providers to manage administrative processes with many CCNs, and this would make it confusing for enrollees to select a health plan. A competitive process allows the state to be selective and contract with only the best networks that demonstrate they can deliver the health care improvements Louisiana needs.
- **Establishing a rate floor to prevent CCNs from cutting providers' rates to achieve savings.**  
CCNs would have to reimburse providers at least the rate they would be paid in fee-for-service Medicaid on the date they provide a service. But, while the rate floor is fixed, the rate ceiling is not – in certain circumstances, CCNs and providers can negotiate higher rates.
- **Including Medical Loss Ratio (MLR) requirements in CCN contracts to ensure a certain percentage of program funds go toward direct patient care, limiting insurance companies' profits.**  
In this proposal, the minimum MLR is set at 85%, and if actual MLR is less, the difference must be refunded to the state. Much of the remaining 15% will go toward administrative costs and network adequacy requirements the companies must meet to effectively coordinate care.
- **Mandating prompt pay requirements so providers receive timely reimbursements for their services.**  
DHH has shortened the timeframe in which CCNs must pay 90 percent of clean claims to 15 business days, and the timeframe in which to pay 99 percent of clean claims to 30 calendar days. The state will require CCNs to pay interest for any clean claims still unpaid on the 30th day, and also can impose monetary penalties.
- **Enhancing the appeals process for denied claims.**  
Prepaid CCNs cannot be the final determiner of medical necessity. Through the state fair hearing process, DHH will be the final determiner, and will hear appeals on denials of medical necessity. CCNs must have a process for independent arbitration to resolve provider appeals and grievances that are not related to medical necessity. The state will closely monitor denied claims and will treat any systemic denial of claims by a CCN as fraud.
- **Carving out Graduate Medical Education (GME) funding paid to hospitals from the CCN model.**  
The State, not the CCN, will continue handling GME rate and payment.



# CCN PROVIDER RECRUITMENT PROCESS

## How will the CCNs form? Do doctors/providers need to apply to create one?

Insurance plans, shared-savings groups or capable entities are welcome to submit proposals to the state to operate CCNs for Louisiana Medicaid recipients during the competitive procurement process (RFP), which begins in April. The state will then select a limited number of the best-qualified entities to administer CCNs. Providers will treat patients within a CCN, but will not be responsible for administering the network's operations. Providers do not need to apply to create a CCN so they can offer care through a network; the CCN entities are responsible for recruiting and retaining qualified providers to contract with that network.

## How will CCNs recruit providers?

The state will not allow networks to provide services to Medicaid enrollees unless they demonstrate they are able to form an adequate network of primary care physicians, specialists, health facilities and other providers sufficient to meet the health quality improvement measures the state is outlining in the RFP.

To demonstrate network adequacy during the RFP process, one of the prospective CCNs' responsibilities is to recruit providers to sign up with their network. DHH advised potential CCNs that intend to submit a proposal that they could begin reaching out to Louisiana health care providers March 1 to solicit participation in their networks should they be awarded a contract.

To make the recruitment process consistent, DHH provided a standard *Letter of Intent* for all plans and other entities to use for provider recruitment. A copy of the *Letter of Intent* is available at [www.MakingMedicaidBetter.com](http://www.MakingMedicaidBetter.com) for providers' reference. CCN entities may add their logo, but cannot otherwise alter the form of the letter. If a prospective CCN uses a different *Letter of Intent*, please report this to DHH immediately, including a copy of the notice, by emailing [coordinatedcarenetworks@la.gov](mailto:coordinatedcarenetworks@la.gov).

DHH is only requiring this *Letter of Intent* from potential CCNs to demonstrate their network adequacy, but providers may contract with CCNs at this time if they prefer to do so. DHH will give the *Letter of Intent* the same weight as the contract when scoring proposals, so a contract is not necessary for a proposal to be successful.

## Does signing a *Letter of Intent* obligate providers in some way?

The *Letter of Intent* is non-binding and is NOT a contract. In the event the entity with which providers sign a *Letter of Intent* is awarded a CCN contract, there will be a very short timeframe for that network to get contracts in place. Providers are not obligated to enter into a contract with any CCN just because they signed a *Letter of Intent*.

## How many *Letters of Intent* can providers sign?

Providers can sign more than one *Letter of Intent*, just as most providers participate in multiple health plans for their commercially insured patients. Signing a *Letter of Intent* does not affect a provider's status in the current fee-for-service Medicaid program, or in CommunityCARE 2.0.

## How will prospective CCNs engage current Medicaid providers?

The state is encouraging prospective CCNs to contact all current Medicaid providers and recruit them for participation in CCNs.



## WHAT IMPORTANT THINGS SHOULD PROVIDERS KNOW ABOUT INTERACTING WITH CCNS?

### Providers can:

- Sign up with as many CCNs as they wish – no network can require exclusivity.
- Join any CCN at no cost. There is no fee to join a network.
- Earn at least what they would earn in fee-for-service Medicaid, which will be considered equal to the published Medicaid rate in effect on the day the service is performed. In some cases, providers can negotiate with a CCN for a higher rate, but the fee-for-service rate is the minimum a CCN must offer to any provider.
- Sign contracts with a potential CCN instead of a *Letter of Intent*, if they wish. DHH has published checklists of minimum terms and conditions any CCN would have to include in contractual agreements with providers online at [www.MakingMedicaidBetter.com](http://www.MakingMedicaidBetter.com). Please refer to these for assistance.
- Remain with a CCN they made a contract with last year, if they still wish to remain with that prospective network. An entirely new contract is not required. But, existing contracts will likely require a specific amendment to meet all minimum terms and conditions specified in the current CCN procurement process, including reimbursement terms of not less than the published Medicaid rate. Please refer to the above-referenced checklists for assistance.
- State intentions to participate with a CCN using either the *Letter of Intent* or a contract. During the RFP process, the state will equally consider these when evaluating a prospective CCN's network adequacy.

### Potential CCNs cannot:

- Assert that they are endorsed by the federal or state government or a similar entity.
- Portray competitors or potential competitors (other potential CCNs) in a negative manner.
- Imply that a specific CCN is the only option for maintaining current Medicaid patients or the only provider of Medicaid-covered services.
- Use DHH program logos or state or federal seals or logos.
- Offer contracts to providers that do not contain all of the applicable minimum terms and conditions posted online at [www.MakingMedicaidBetter.com](http://www.MakingMedicaidBetter.com)

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*Please report any suspected abuse of the recruitment process to DHH immediately, at [coordinatedcarenetworks@la.gov](mailto:coordinatedcarenetworks@la.gov) or by calling toll-free 1.888.342.6207.*

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### **What will happen with fee-for-service Medicaid and CommunityCARE 2.0 when CCNs take effect?**

As CCNs are implemented in the three Geographical Service Areas, this model replaces CommunityCARE 2.0 in that area, and patients' medical homes/primary care coordination will take place through the CCN. Providers will be able to sign up with as many CCNs as they wish, both the prepaid and shared-savings models, and can still remain fee-for-service Medicaid providers to treat patients who may not transition to CCNs, or to provide carved-out services that will be reimbursed as fee for service.

### **How will providers bill for services once CCNs are in place?**

In the CCN shared-savings model, Medicaid's fiscal intermediary will continue processing claims and payment. In the CCN prepaid model, the entity administering that network will handle payment directly.

### **Will provider payments from a CCN be timely?**

The RFP to select the CCN entities mandates aggressive prompt-pay requirements (90 percent of clean claims paid in 15 business days, 99 percent of clean claims paid in 30 calendar days). There is no distinction in these requirements whether claims are submitted electronically or by paper; all clean claims must be paid within the specified timeframe or face interest payments or monetary penalties.

### **What does a CCN consider a "clean" claim?**

The CCNs are required to specify the clean claims process and provide examples at least 30 days before that CCN takes effect so providers in that network can be prepared to submit clean claims and receive timely payments for their services. The CCNs must keep their clean claims standards as transparent as possible.

### **Will the CCNs be available to assist providers with issues that may arise?**

As mandated in the RFP, the CCNs must have adequate provider relations functions to support providers treating Louisiana Medicaid patients in that network. Each CCN the state selects will have a thorough readiness review before that network can begin services for Louisiana Medicaid, and provider relations support is a critical area the networks must demonstrate. Support functions include offering ongoing provider training, responding to provider inquiries and giving providers general assistance with program operations or requirements. The CCNs must have staff available during the week to assist with routine inquiries, and must make staff available 24/7 to assist providers with any emergency issues. CCNs must use websites, handbooks, hotlines and other methods to let providers in that network know about policies, procedures and how they can contact the network with any problems or questions.

### **What can providers tell their patients about the CCNs in which they participate?**

Providers are allowed to tell their patients which CCNs they have enrolled with, so their patients can choose a CCN in which that provider participates, if they wish. But, providers must disclose all CCNs of which they are a member, and providers cannot steer patients toward any particular CCN. DHH and the CCNs chosen will send providers further, detailed guidance on appropriate marketing of CCN participation. The following are basic marketing guidelines for this process.

## CCN MARKETING GUIDELINES FOR PROVIDERS:

- When conducting any form of marketing in a provider's office, the CCN must acquire and keep on file the written consent of the provider.
- The CCN may not require its providers to distribute CCN-prepared communications to their patients.
- The CCN may not provide incentives or giveaways to providers for the purpose of distributing them to CCN members or potential CCN members.
- The CCN may not conduct member education in common areas of provider offices.
- The CCN may not allow providers to solicit enrollment or disenrollment in a CCN, or distribute CCN-specific materials at a marketing activity.

### The CCN shall instruct participating providers regarding the following communication requirements:

- Participating providers who wish to let their patients know of their affiliations with one or more CCNs must list all CCNs with which they have contracts;
- Participating providers may display and/or distribute health education materials for *all* contracted CCNs or they may choose not to display and/or distribute for *any* contracted CCNs. Health education materials must adhere to the following guidance:
  - *Health education posters cannot be larger than 16" X 24";*
  - *Children's books, donated by CCNs, must be in common areas;*
  - *Materials may include the CCN's name, logo, phone number and website; and*
  - *Providers are not required to distribute and/or display all health education materials provided by each CCN with whom they contract. Providers can choose which items to display as long as they distribute items from each contracted CCN and the distribution and quantity of items displayed are equitable.*
  - *Providers may display marketing materials for CCNs provided that appropriate notice is conspicuously and equitably posted, in both size of material and type set, for all CCNs with whom the provider has a contract.*
- Providers may display CCN participation stickers, but they must display stickers by *all* contracted CCNs or choose to not display stickers for *any* contracted CCNs.
- CCN stickers indicating the provider participates with a particular health plan cannot be larger than 5" x 7" and not indicate anything more than "the health plan is accepted or welcomed here."
- Providers may inform their patients of the benefits, services and specialty care services offered through the CCNs in which they participate. However, providers may not recommend one CCN over another CCN, offer patients incentives for selecting one CCN over another, or assist the patient in deciding to select a specific CCN.
- Upon termination of a contract with the CCN, a provider who has contracts with other CCNs may notify patients of the change in status and the impact of such a change on the patient.



# ASSISTING MY PATIENTS

## **What can providers do to help patients prepare?**

When it is time for patients receiving Medicaid or LaCHIP coverage to select a CCN, DHH will notify them. In the meantime, providers can encourage Medicaid recipients to make sure their contact information is current with DHH so they will receive updates on the CCN process in a timely manner. Medicaid and LaCHIP recipients can do so by calling toll free 1.888.342.6207.

## **How will patients be enrolled in a CCN?**

Patients will have the opportunity to select a CCN from among those operating in their Geographical Service Area. Eligible Medicaid enrollees will receive information in advance of their effective date of service about options and how to enroll in a CCN. An enrollment broker will be available as an unbiased third party to assist Medicaid recipients in selecting their CCNs. DHH intends to provide multiple opportunities for recipients to receive choice counseling either face-to-face or by phone. Follow-up phone calls will be made to increase the number of proactive members' choices of a CCN.

Patients who do not choose their own CCN will be automatically enrolled in one. The enrollment broker will use an algorithm for this process, which will assign patients based on preserving existing primary-care provider/patient relationships, age and location. For example, if a patient was in CommunityCARE and actively linked to a primary care provider, the enrollment broker will place that patient in a CCN that includes this provider. Families will be assigned to the same CCN for convenience, unless it is medically necessary for members to enroll with different CCNs. The algorithm will equally auto-assign patients between the CCN-S and CCN-P models in each Geographical Service Area. Once CCN quality information becomes available in 2014, the quality performance of the CCN will be a factor in the algorithm as well.

## **How often can patients change CCNs?**

Medicaid is federally required to allow patients to switch CCNs within the first 90 days of their enrollment, if they choose. After the 90-day period, patients remain in their CCN for a year, and will have an annual enrollment period, similar to the process most commercial insurance companies use, in which they can select a different CCN. Patients can opt out of a CCN at any time for cause, such as a loss of or change in their Medicaid coverage, moving to an area outside of that CCN's coverage, health access issues, etc. The CCN will be responsible for monitoring patient participation to know when patients leave that network and notify providers accordingly.

## **Will recipients still have Medicaid cards in a CCN?**

Once CCNs take effect, recipients will get two cards – one will be the Louisiana Medicaid card as they receive today, which providers can use to verify a recipient's eligibility and which CCN that recipient is enrolled in through the Medicaid fiscal intermediary. The other will be a card issued by that patient's CCN, which gives contact information so providers' offices can contact the network with problems or questions.

## **How will CCNs address patient issues such as skipping appointments, lack of transportation and not complying with medical advice?**

The State expects that CCNs will ensure better coordination of member services, and will ease the burden on providers by assisting with specialty referrals, access to care, appropriate use of health resources and disease management. CCNs will be responsible for addressing patient issues such as transportation, referrals and compliance with medical advice, which can be problematic in the current fee-for-service program. Because these networks have more flexibility than the current Medicaid program to restructure available resources, they can focus on enrollee education and case management to work with problematic patients so providers do not have to expend the time and resources to do so.

### Will specialists need referrals from a patient's primary care provider?

Much like commercial insurance, the referral process and requirements will be determined by each individual CCN.

## YOUR NOTES

## WE WANT TO HEAR FROM YOU!

The Department of Health and Hospitals will schedule future conference calls and meetings with providers as the state progresses toward CCN implementation to get feedback and share information. Please look for notices of these upcoming opportunities.

If you have not done so already, please submit a valid email address using the form at [www.MakingMedicaidBetter.com](http://www.MakingMedicaidBetter.com) so you will receive the weekly newsletter detailing ongoing updates to the CCN process.

### PLEASE CONTACT DHH AT ANY TIME:

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**web:** [www.MakingMedicaidBetter.com](http://www.MakingMedicaidBetter.com)

**email:** [coordinatedcarenetworks@la.gov](mailto:coordinatedcarenetworks@la.gov)

**phone:** 1.888.342.6207

### SOCIAL MEDIA

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*You can also follow DHH through social media to see the latest information on the CCN process and other health topics:*

 [@La\\_Health\\_Dept](https://twitter.com/La_Health_Dept)

 [facebook.com/LaHealthDept](https://facebook.com/LaHealthDept)

 [MyHealthLA.org](http://MyHealthLA.org)