

Medicaid Managed Care

A guide for North Carolina Medicaid and NC Health Choice providers

Common questions

What is Managed Care?

Today, licensed Medicaid health care providers first enroll in NCTracks to deliver services to people enrolled in Medicaid. Providers then can submit claims to the Department and are paid directly by the Department. In Medicaid Managed Care, providers will continue to enroll in NCTracks, but will contract with “prepaid health plans” or “PHPs.” Beneficiaries will have a choice of PHPs and providers will submit claims to and receive payment for covered services from their patient’s selected PHP.

What will be different for me in Medicaid Managed Care?

You will still be able to provide, and be paid for providing, health care services to Medicaid beneficiaries. The main difference is that the PHP you contract with will pay you for covered services and work to resolve payment issues, instead of the state. Note that signing a contract with a PHP means you agree to contract terms on policies and procedures for Medicaid Managed Care delivery.

What happens next? When will Medicaid Managed Care start?

You will receive guidance and information from the Department on the transition to Medicaid Managed Care. The program is expected to begin in July 2019.

An insurance company wants me to join its Medicaid provider network. What do I need to know?

Building provider networks is a normal business operation for a health insurance company, including potential PHPs. When you talk with insurers, be aware that you have rights related to a rate floor and that there will be additional payments if you meet requirements and choose to participate as an advanced medical home provider. Questions should be directed to the insurers.

Will the state continue to be involved?

Yes. The Department will work closely with PHPs to ensure that people continue to receive quality health care. The Department will administer a centralized credentialing system for providers, and oversee the PHPs and Medicaid program.

What you need to know about Medicaid Managed Care

1. You will receive education and support during the transition to managed care.

To ensure that providers are prepared to adapt their practices and support their patients throughout the transition to Medicaid Managed Care, the Department will have a provider support infrastructure that includes education and training on topics related to managed care. More information will be provided.

2. You can still be a Medicaid provider.

NC Medicaid transformation legislation, Session Laws 2015-245 and 2016-121, does not allow a prepaid health plan to exclude a provider from a network unless the provider is not properly credentialed, fails to meet program requirements, does not meet quality standards or refuses to accept the prepaid health plan's network rates.

3. There will be a rate floor of 100% of the current Medicaid fee-for-service rate.

The Department will mandate that prepaid health plans maintain a certain level of payment by establishing a rate floor of 100% of the Medicaid fee-for-service rates for certain providers. PHPs and providers will be permitted to mutually agree to a different rate or alternative payment arrangement through a provider contract. The Department also will set guidelines for out-of-network provider payments, contracting and on-time payments.

4. The same services will still be covered by Medicaid.

Prepaid health plans will be required to cover the same services as Medicaid fee-for-service, except for a limited number that will remain state-administered, fee-for-service arrangements per state statute.

5. There will be efforts to minimize administrative burden on providers.

The Department will implement a centralized credentialing (and recredentialing) process. This will include uniform credentialing policies and a single, electronic application. Although individual contract negotiations will be between PHPs and providers, the Department will require state-approved contracts with standardized language for select sections.

6. There will still be a focus on care management.

The Department will still place a focus on care management and will expect prepaid health plans and advanced medical homes to share responsibilities for care management and care coordination.

Learn more

In August 2017, the North Carolina Department of Health and Human Services released its detailed proposed program design for Medicaid Managed Care. This proposed design was written mostly to give doctors, hospitals and PHPs the information they need to get ready to move their businesses to Medicaid Managed Care.

Anyone can read the proposed program design at ncdhhs.gov/nc-medicaid-transformation or pick up a copy at 101 Blair Dr., Raleigh, NC 27603.

Tell us what you think by Sept. 8

Your feedback is always encouraged. Input from health care professionals, beneficiaries and other stakeholders continues to help the Department shape the best possible Medicaid Managed Care program.

Written comments on the Medicaid Managed Care proposed program design received by Sept. 8, 2017, will be used by the Department as it determines changes needed to the Section 1115 demonstration waiver submitted last year.

Please send written input by:
Email: Medicaid.Transformation@dhhs.nc.gov

U.S. Mail: Department of Health and Human Services, Division of Health Benefits, 1950 Mail Service Center, Raleigh NC 27699-1950

Drop-off: Department of Health and Human Services, Dorothea Dix Campus, Adams Building, 101 Blair Dr., Raleigh NC

Send questions about North Carolina's move to Medicaid Managed Care to Medicaid.Transformation@dhhs.nc.gov. For more information, visit ncdhhs.gov/nc-medicaid-transformation.