

NC Medicaid Managed Care Qualitative Evaluation 2023: Provider Perspectives—Medicaid Managed Care Launch Year 2

Christopher M. Shea, PhD; Paula H. Song, PhD; Valerie A. Lewis, PhD;
Monisa Aijaz, MD, MPH; Brenda Amezcua-Castro, MA, MPA; Dawn Bergmire, JD

What is the Medicaid Transformation Qualitative Evaluation?

Qualitative interviews with organizational stakeholders (e.g., physician practices and health systems) are part of a larger multi-year evaluation of North Carolina Medicaid's transition from fee-for-service to Medicaid managed care under the 1115 demonstration waiver.

How Were Interviews Conducted?

We identified potential interviewees from multiple sources, including data from Medicaid provider files and publicly available information (e.g., the North Carolina Department of Health and Human Services' (NCDHHS) website). We sampled by organization/practice type (e.g., health system, independent practices) and provider specialty type (primary care, pediatrics, etc.). We conducted email outreach to 233 health systems, health care practices, and local health departments. We completed interviews with representatives of 36 of them, from all regions of the state. At each organization, we interviewed one or more representatives who could provide details of the transition to Medicaid managed care. Thirty of the 47 participants had participated in an interview with us in a prior year. Interviews were conducted via Zoom, typically lasting 30-45 minutes, and were conducted between February and May of 2023.

Participant/Organizational Characteristics

Total participants = 47; total organizations = 36	
Specialty (organization)	N = 36 (proportion)
Internal Medicine/Family Medicine	11 (30.5%)
Pediatrics	9 (25.0%)
Behavioral Health	6 (16.7%)
Multi-specialty (adult, ped, and OB)	6 (16.7%)
Health System	4 (11.1%)
Role (participant)	N = 47 (proportion)
Admin only	22 (46.8%)
Leadership	11 (23.4%)
Provider + Admin	13 (27.7%)
Provider only	1 (2.1%)

Interview Topics



Key Takeaways

➤ Contracting with PHPs

Two thirds of practices and health systems interviewed did not have imminent plans to change PHP contracts. Regardless of PHP satisfaction, interviewees did not want to eliminate a PHP when it might negatively impact the patients that the practice serves.

➤ Working with PHPs

Participants identified these challenges:

- Responsiveness and communication
 - ◊ Timeliness of response
 - ◊ PHP staff turnover
 - ◊ No assigned or knowledgeable representative
- Reimbursements
 - ◊ High rate of denials
 - ◊ Additional administrative work for claims
- Lack of standardization among PHPs
 - ◊ Different coverage for prescriptions and services
 - ◊ Need to hire additional staff to manage varying prior authorization practices.
- Correcting attribution lists
- Specialists opting out of Medicaid
- Constantly changing rules and processes

➤ Value-based Contracting

Most perceived value-based contracting as important for their organization.

- The transition may be easier if infrastructure for data collection and reporting exist (e.g., Federally Qualified Health Center (FQHC) or part of an Accountable Care Organization (ACO)).
- Some practices and health systems are not willing to participate because they believe that PHPs are not ready.

"It is an easier transition because as an FQHC, we are already responsible for reporting quality metrics annually and for tracking those and having a mechanism for tracking those, and for having a risk management program and quality improvement programs. The same metrics are being utilized with the prepaid health plans."

— Senior administrator, FQHC

"We're an AMH [Tier] 3. But we're not doing value-based, partly because, they're—well, they're having such issues administering the adjudication of just a fee-for-service claim, the data. And they're having issues also getting us the information from the AMH 3, getting us payments that way, too. They just send us a check, and they don't say what it's for... And so, the value stuff to us is—we don't have the resources to do it."

— Senior administrator, Health System

➤ Advanced Medical Home

Of those reporting their AMH tier, most were Tier 3. Practices discussed contracting with ACOs, Community Care Physician Network (CCPN), and Community Care of

NC (CCNC). Some practices hired care coordinators and handled care coordination internally. Some practices used both a referral specialist as well as a care management specialist. One FQHC explained their strategy to build a care management team that provided care management for both Medicaid and non-Medicaid patients.

➤ Overall Satisfaction with Managed Care

Some, but not all, practices and health systems are satisfied with the Medicaid transformation. Those practices that were satisfied noted improvements in reimbursements.

"...I'm satisfied because they worked out a lot of the issues."
— Practice Administrator, Independent Adult Primary Care Practice

"It is improving, let's put it that way. Has it got a long way to go? Yes. But it is improving, and there is the desire for it to improve. But they need to be listening to the realities of the situation in order for it to improve."

— Administrator, Independent Family Practice

"If you'd asked me a month ago, I probably would've been a 6 [out of 10] but now, I'm a 4, because I think there's been even more changes in the process."

— Administrator and Provider, Health-system Affiliated Practice



➤ Provider Recommendations

- Increase consistency and standardization among PHPs to reduce confusion.
- Improve responsiveness by hiring knowledgeable PHP representatives.
- Establish three-way communication among NCDHHS, PHPs, and providers for clarity.

"Make it simple. If all the PHPs were on the same page, meaning regardless of what PHP you're on, you know, they're going to still cover this. Regardless of which plan you were on, if everything was same, just like how Medicaid was, I think that would make things simpler."

— Administrator, Independent Pediatric Practice

➤ Conclusions

More consistency among PHPs can reduce the burden placed on providers. Organizations want improved three-way communication among NCDHHS, PHPs, and providers.

To learn more about the multi-year NC Medicaid 1115 Waiver Evaluation, go to shepscenter.unc.edu.

Suggested Brief Citation

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