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Response to Request for Information for the Nevada Medicaid Managed Care Expansion

RFI Questions:

I. Provider Networks

Improving access to care is essential to ensuring a successful Managed Care Program, especially in hard-to-reach rural and remote communities. All of Nevada's 17 counties are under one or more federal Health Professional Shortage Area (HPSA) designations. Many Nevada providers do not accept Medicaid due to low rates of reimbursement or the administrative burden associated with billing Medicaid. Due to the significant shortage of primary care and behavioral health providers in Nevada, many recipients face long appointment wait and/or travel times for basic health care needs. This is especially true in rural and frontier areas of the state, where people often have no choice but to forgo necessary care or seek services at the nearest local emergency room after a condition has exacerbated.

A. What types of strategies and requirements should the Division consider for its procurement and contracts with managed care plans to address the challenges facing rural and frontier areas of the state with respect to provider availability and access?

- Network adequacy and post-acute service levels and contracting especially:
  - Home Health
  - Dialysis
  - LTACH / SNF
  - Urgent Care for Post Acute Follow up (given lack of primary care availability)
  - Transportation for follow up services

- Access should be considered a continuous quality measurement baked into plan agreements that looks at Emergency Room/Urgent Care utilization compared to physician office/PCP utilization. Under current demand, hospital emergency rooms suffer under the weight of poor physician/PCP access leading to long waits for care, staff stress and below cost reimbursement to hospitals.

B. Beyond utilizing state directed payments for rural health clinics and federally qualified health centers as outlined in state law, are there other requirements that the Division should consider for ensuring that rural providers receive sufficient payment rates from managed care plans for delivering covered services to Medicaid recipients? For example, are there any strategies for ensuring rural providers have a more level playing field when negotiating with managed care plans?

- We support efforts to bring Medicaid reimbursement to rural hospitals, clinics, and physician practices above the current rate structures in place. This issue is not unique to rural. Tertiary facilities face a similar concern related especially to high end services. We need consideration for tertiary level support and mental health benefits coverage statewide to aid the rural facilities and reduce recidivism.

C. The Division is considering adding a new requirement that managed care plans develop and invest in a Medicaid Provider Workforce Development Strategy & Plan to improve provider workforce capacity in Nevada for Medicaid recipients. What types of requirements and/or incentives should the Division consider as part of this new Workforce Development Strategy & Plan? How can the Division ensure this Plan will be effective in increasing workforce capacity in Nevada for Medicaid?

- GME related grants to support retaining physicians
- Development of tech (OR tech / Cath lab tech / Rad tech) programs and subsidies and workforce pathways for career development
- Support for nursing school development and entry into secondary school programs to drive interest
- This could be accomplished with a small portion of the MCO admin fee being targeted to this collaborative and development
- There needs to be a concerted effort to work jointly with state-contracted MCOs and providers of care. The key word in the above question is "Provider". We want to ensure that any incentives being aimed at the state-contracted MCOs are directed toward clinical access. Such programs should not be deployed to increase the number of employees involved in utilization management decision making processes at MCOs. To that end, there are several organizations through Nevada, including our own, that operate GME programs aimed at supporting and shoring up shortages in specific physician specialties as well as primary care. Additionally, some form of collaboration can be developed in concert with state-contracted MCOs in the development of nursing education and Physician Assistant programs.
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D. Are there best practices or strategies in developing provider requirements and network adequacy standards in managed care that have been effective in other states with respect to meeting the unique health care needs of rural and frontier communities?

- See I.A. above.

E. Nevada Medicaid seeks to identify and remove any unnecessary barriers to care for recipients in the Managed Care Program through the next procurement. Are there certain arrangements between providers and managed care plans that directly or indirectly limit access to covered services and care for Medicaid recipients? If so, please identify and explain. Please also explain any value to these arrangements that should be prioritized by the Division over the State's duty to ensure sufficient access to care for recipients.

- Standardize to Interqual for IP criteria, reduce denial and UR administrative burden associated with this population (further driving a cost gap and generating cost to both providers and plans).

II. Behavioral Health Care

Nevada, like most states, has significant gaps in its behavioral health care system. These gaps are exacerbated in rural and frontier areas of the state with the remote nature of these communities. Furthermore, the U.S. Department of Justice issued a recent finding that Nevada is out of compliance with the American with Disabilities Act (ADA) with respect to children with serious behavioral health conditions.

A. Are there strategies that the Division should use to expand the use of telehealth modalities to address behavioral health care needs in rural areas of the state?

- Addition of coverage for adult IOP and PHP with the ability to add telehealth support (especially from larger facilities to cover rural areas) expanding service offerings.
- Measure for adequacy based on utilization and pattern change in ER utilization (generating a cost offset to the plan)

B. Are there best practices from other states that could be used to increase the availability of behavioral health services in the home and community setting in rural and remote areas of the State?

- Transportation support to ensure visit attendance
- Expansion of coverage for IOP PHP and ECT services for all Medicaid recipients
- Expansion of telehealth coverage for IOP and PHP services for a rural setting

C. Should the Division consider implementing certain incentives or provider payment models within its Managed Care Program to increase the availability and utilization of behavioral health services in rural communities with an emphasis on improving access to these services in the home for children?

- Expansion of IOP and PHP services to all Medicaid recipients
- Connecting the rural communities via transportation coverage or telehealth offerings which could reduce both ER and IP readimissions

III. Maternal & Child Health

Nevada Medicaid continues to strive to improve maternal and child health outcomes. Currently, the Division uses several contract tools to incentivize managed care plans to focus efforts on improving access to, and the utilization of, prenatal and postpartum care and infant/child check-up visits. Besides performance improvement projects, this includes a 1.5 percent withhold payment on capitation payments that managed care plans are eligible to receive if certain metrics of improvement are met for this population. For 2024 and 2025 Contract Years, the Division is implementing a quality-based algorithm that will prioritize the assignment of new recipients based on plan performance on certain HEDIS metrics that monitor prenatal and postpartum care utilization. Nevada also has a bonus payment program for its 2023 Contract Year for managed care plans that increases the percentage of total expenditures on primary care providers and services, which may include pediatric and obstetric care.

A. Are there other tools and strategies that the Division should consider using as part of the new Contract Period to further its efforts to improve maternal and child health through the Managed Care Program, including efforts specifically focused on access in rural and frontier areas of the State?

- GME grant support for teaching programs to provide telehealth or onsite follow up and consultation
- Transportation support for High Risk / MFM visits
- Telehealth consultation coverage for MFM and High Risk OB population

B. Are there certain provider payment models (e.g., pay-for-performance, pregnancy health homes, etc.) that the Division should consider that have shown promise in other states with respect to improving maternal and child health outcomes in Medicaid populations?

- Recognition of Level IV NICU
- A quality collaborative based on nationally recognized criteria between providers and MCOs could identify gaps and improvement opportunities

IV. Market & Network Stability

1. <u>Service Area:</u>

Currently, Nevada Medicaid has four managed care plans serving two counties—urban Washoe and Clark Counties. For the upcoming expansion and procurement, the Division is considering whether all contracted plans should serve the entire state, or the State should take a different approach and establish specific service areas. For example, the Division could contract with at least two qualified plans in certain rural regions or counties but contract with more than two qualified plans in more densely populated counties. The goal would be to provide greater market stability, sufficient access to care, and quality plan choice for recipients.

- Should Nevada Medicaid continue to treat the State as one service area under the Managed Care Contracts or establish multiple regional- or county-based service areas? Please explain.
- Due to concentration of high acuity, and needs for support from urban areas, leave as one service area. Subdividing may make membership management a challenge and could dilute objectives noted above for maternal child / behavioral health / network adequacy

- Please describe any other best practices used in other states that the Division should consider when establishing its service area(s) for managed care plans that have balanced the goal of ensuring recipient choice and market competition (price control) with market stability and sufficient provider reimbursement.

    - Transportation benefits
    - Post discharge follow up via urgent care
    - Reducing administrative burden for coverage and approval of post acute services

2. Algorithm for Assignment

For the first Contract Year of the current Contract Period, recipients were assigned to managed care plans based on an algorithm that prioritized new plans to Nevada Medicaid's market. There were notable benefits and challenges to this approach. Going forward, the Division is implementing a quality-based algorithm as previously described that also presents its own unique challenges and benefits.

A. Are there other innovative strategies that the Division could use in its Medicaid programs with respect to the assignment algorithm that promotes market stability while allowing for a "healthy" level of competition amongst plans?

    - Establishing stabilized reimbursement processes should be the first priority.
    - Review of denial rates and administrative burden
    - Plan accountability for lack of coverage in post acute needs
    - The above should be considered when developing a per capita base for member assignment. Better performance, results in greater membership share.

V. Value-Based Payment Design

Nevada Medicaid seeks to prioritize the use of value-based payments with contracted providers in the expanded managed care program. Currently, the Division has an incentivize program for its managed care plans to accelerate the use of value-based payment strategies through a one-year bonus payment arrangement based on performance. With Nevada's ongoing health disparities and the rising cost of health care, these strategies are critical to ensuring the success and sustainability of the State's Medicaid program.

A. Beyond the current bonus payment, what other incentives or strategies should the Division consider using in its upcoming procurement and contracts to further promote the expansion of value-based payment design with providers in Nevada Medicaid?
    - Value Based Payment design needs to be additive to current reimbursement and consistent statewide. Stabilizing current reimbursement should be the first priority and establishing a connection between MCO and providers for development of a consistent quality performance program. Other states allow plans to define their quality initiatives and a lack of consistency precludes movement in overall improvement statewide. A consistent approach that all plans must adhere to would be beneficial in both programmatic and service development especially where we have high geographic dispersal and service level variation.

B. Are there certain tools or information that the State could share, develop, or improve upon, to help plans and providers succeed in these arrangements?

- Utilization of nationally recognized standards as the benchmark for comparison and performance measurement to eliminate bias and variation.

C. What considerations should the Division keep in mind for promoting the use of value-based payment design with rural providers?

- Network adequacy / service coverage (even via telehealth) / transportation

VI. Coverage of Social Determinants of Health

Nevada Medicaid is currently seeking federal approval to cover housing supports and services and meal supports under federal "in lieu of" services authority. This allows managed care plans to use Medicaid funds to pay for these services in support of their members. Today, all four plans provide limited coverage of these services by using their profits to pay for them. The goal of seeking approval of "in lieu of" coverage for these services is to increase the availability of these services in the Medicaid Managed Care Program for more recipients.

A. Besides housing and meal supports, are there other services the Division should consider adding to its Managed Care Program as optional services in managed care that improve health outcomes and are cost effective as required by federal law?

- These should not be optional additional services added: Transportation / IOP / PHP / ECT / Telehealth for Behavioral Health and Telehealth for high risk maternal

B. Are there other innovative strategies in other states that the Division should build into its Managed Care Program to address social determinants of health outside of adding optional benefits?

- None noted

C. Nevada requires managed care plans to invest at least 3 percent of their pre-tax profits on certain community organizations and programs aimed at addressing social determinants of health. Are there any changes to this program that could be made to further address these challenges facing Medicaid recipients in support of improving health outcomes?

- In other states, the MCO is required to use 90-95% of expenditures towards direct medical care. We need accountability that the dollars invested are resulting in direct care delivery
- We also need expedited guardianship for medical recipients to reduce burden to providers (acute and post acute) and to reduce plan cost

VII. Other Innovations

Please describe any other innovations or best practices that the Division should consider for ensuring the success of the State's expansion of its Medicaid Managed Care Program.