



Agenda Action Form Overview

In 2015, the North Carolina General Assembly passed comprehensive Medicaid reform that will transition Medicaid from a fee for service program to a truly capitated managed care program for all Medicaid recipients. The legislation required the state to seek and procure prepaid health plans, aka insurance plans, for Medicaid recipients. These plans will provide comprehensive health and behavioral health services within a managed care network. In August of 2018, the Request for Proposals were issued to secure bids for prepaid health plans. It is anticipated that many major insurance carriers will bid for the services.

Durham Department of Social Services, in partnership with Durham Public Health and Duke partners, will provide a general overview of the major changes forthcoming in the Medicaid program.

Background/Justification

The General Assembly is seeking to improve access to care, improve health outcomes, and control/predict costs within the Medicaid program. States are starting to introduce more managed care strategies within the Medicaid population to achieve such results. North Carolina is still seeking the federal waiver.

There is no action required by the Board now. This presentation is for informational purposes.

Policy Impact

This shift will be a major change in how Medicaid services are delivered and paid for by the state of North Carolina. It will impact both clients and medical providers in many ways. Services and funding streams will greatly change over the next five years for persons receiving Medicaid. There are not major impacts expected on the front end for Social Services; however, DSS will be a major player in navigation of the new enrollment system.

Procurement Background

This shift in Medicaid represents the largest procurement contract in the history of North Carolina, at almost \$16 billion dollars. The county has no service dollar costs in the Medicaid budget so there is no procurement issues for Durham County at this time.

Fiscal Impact

While there is no noted direct fiscal impacts of this legislation to Durham County at this time, Durham County DSS will have to assess potential staffing with the navigation of the enrollment broker. Durham DSS will be the first point of contact for clients seeking questions and clarifications, so impacts from this type of work may present workforce needs. In addition, there are potential impacts to Public Health for both billing of Medicaid and Medicaid revenues that will be explored.



Recommendation

There are no formal recommendations regarding this agenda item at this time. It is being provided for informational purposes and for planning and outreach in the future.