

Provider-Led, Patient-Centered Care, LLC (PLPCC)

July 19, 2016

The Honorable Sylvia Burwell
Secretary
US Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Burwell,

Provider-Led, Patient-Centered Care, LLC (PLPCC)¹ is comprised of eleven leading health systems across the state of North Carolina that are partnering, along with Presbyterian Health Plan, to pursue a state-wide Medicaid prepaid health plan. PLPCC shares North Carolina's commitment to a provider-led approach to delivering care to North Carolina's Medicaid population and are pleased to provide the following comments on the North Carolina Medicaid and North Carolina Health Choice Section 1115 Waiver Application.

North Carolina has long been a leader in health care innovation. Our Medicaid program has already received National recognition for the physician led Community Care program and experiences high levels of provider participation in relation to other states. As partners in this innovation, we are committed to continuing this high level of care through a patient-centered approach and, as a result, strongly support the states quadruple aim. The addition of the 4th Aim: Improved Provider Engagement and Support through innovation and alignment of reimbursement systems; practice supports for quality improvement and workforce development and training are necessary to ensure that this level of care and innovation continues under the Medicaid transformation program.

North Carolina's General Assembly adopted a Medicaid transformation program that is unique in that it does not just rely on a traditional insurance approach but is built around a patient-centered approach supported by providers. PLPCC's intent to serve as a state-wide, provider-owned health plan is consistent with recent trends in all insurance markets including Medicaid and Medicare. According to a report issued by Avalere, nearly 60% of new entrants to the Medicare Advantage market are provider-owned health plans.² Provider-operated plans are uniquely positioned to allow for greater care-coordination, disease management, and improvements in population health. These improvements lead to better health outcomes for patients and greater financial stability for government programs.

A key to ensuring proper care-coordination and stability for the state is to adopt a model which integrates physical and behavioral health services under a single financing and delivery entity. A Kaiser Family Foundation Study, "Integrating Physical and Behavioral Health Care: Promising Medicaid

¹ Cape Fear Valley Health System, Carolinas Healthcare System, Cone Health, Duke University Health System, Mission Health System, New Hanover Regional Medical Center, Novant Health, University of North Carolina Health Care, Vidant Health, Wake Forest Baptist Medical Center, and WakeMed Health and Hospitals

² "Provider-Sponsored Health Plans: Enrollment, Quality, and Future Impact", Avalere, June, 26, 2016.



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Models”,³ outlines several key models along a continuum that range from relatively modest steps to coordinate care to more ambitious efforts. The most advanced model on the integration continuum is the System-Level Integration of Care in which “integration of services and fiscal accountability underpins truly person-centered, holistic care and represents the most advanced model on the integration continuum. A fully integrated system for Medicaid beneficiaries is one that directly provides and is at financial risk for the entire complement of acute physical and behavioral health services covered by Medicaid.” In our efforts to provide patient centered care and improve the health of North Carolinians, we support both this advanced model of care and the current statute requiring full integration of behavioral and physical health following the first four years of capitation.

As North Carolina health systems we are committed to the changes in healthcare required for our new Medicaid program to be successful. Our desire to be leaders in this change for our communities, and to bring the improved outcomes of a provider-operated plan to North Carolinians, was key in our decision to pursue a Medicaid prepaid health plan. As health systems we will also continue to provide local care in our communities. As such, we are acutely aware of the local community needs that remain for individuals who do not have access to health care coverage. We appreciate the state acknowledging the need to preserve uncompensated care payments in the waiver. This will allow North Carolina to ensure that the safety net for access and quality care remain available to the most vulnerable populations as we transition under the new Medicaid program.

We appreciate the opportunity to provide comments on North Carolina’s draft waiver. We look forward to working with the state and you as North Carolina develops its new Medicaid program.

Sincerely,



Kelly R. Vogel

On behalf of Provider-Led, Patient-Centered Care, LLC

Cc: Andy Slavitt, Acting Administrator, Centers for Medicare and Medicaid Services

³ “Integrating Physical and Behavioral Health Care: Promising Medicaid Models” Kaiser Family Foundation, February 12, 2014.

