

# How to Succeed Under Medicaid Managed Care

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**North Carolina's move to Medicaid managed care is part of the larger move to value-based care nationally. Keys to value-based care guide how practices and health systems can navigate the new payment model. The experience of North Carolina's Area Health Education Centers with primary care practices that work on value-based care can serve as an important case study.**

**N**orth Carolina's move to Medicaid managed care is part of the larger move to value-based care nationally. Cost predictability and improved health outcomes are the goal. At first, there will be more contracting between providers and health plans, new health plans in the state, new types of entities such as clinically integrated networks, and new arrangements with behavioral health services. Following shortly will be novel ways of promoting health by addressing economic and social factors such as housing, work, transportation, and food supports. After that, the state will create tailored managed care plans for Medicaid beneficiaries who need more behavioral health supports [1]. As the new payment model takes hold, the vision is to keep innovating toward higher quality and lower cost. But what does this mean at the point of care delivery?

The North Carolina Area Health Education Centers (NC AHEC) have been working with primary care practices across the state using a model to help practices on their path to value-based care. The Mountain Area Health Education Center (MAHEC) Health Innovations Partners (HIP) Team developed tools around key concepts to help practices apply practical changes for success in value-based models. This began in 2017 when the team was approached by the North Carolina Medical Society, and the work was later supported by the North Carolina Division of Health Benefits as these tools were piloted and adopted statewide as part of the NC AHEC Practice Support Program [2]. For each practice, NC AHEC practice coaches provide monthly on-site visits and between-visit support, using the framework of the North Carolina AHEC change package, a set of changes a practice can implement that lead to better health outcomes.

The work for a practice begins with a practice self-assessment, which is then reviewed by an AHEC practice coach. The practice coach collaborates with the practice's clinical and administrative leadership to evaluate several components such as clinical quality, care access, provider coding,

revenue cycle management, staffing levels, provider productivity, budgetary and fiscal performance, human resources management, patient satisfaction, and more. The assessment gives the practice clear steps they can take toward meeting their goals.

Overall performance is measured against best practice standards with attention to continuous improvement over a 12-month period.

## What Matters to You?

We begin with this question because if a practice is going to make changes to adapt to Medicaid managed care or other value-based initiatives, they will be more successful if the changes also work for them. The transformative path to Medicaid managed care will depend on the type of practice and its role in the health care system. Practitioners may view the changes considering their own goals. Examples of goals, or what matters, include financial goals, lifestyle goals, and performance goals like having a financially secure practice, growing a practice, helping patients make positive health changes, retaining staff, or adding a provider (see Table 1).

Once a practitioner has determined their top goals or concerns, they can approach actions or changes in the greater spirit of moving toward what matters to them, adding more meaning and purpose to any actions and possibly experiencing the unintended side effect of increased job satisfaction [3].

## Take Note of Where You Are

The MAHEC HIP team reviewed a number of surveys and developed a tool of seven concept areas that inventories where a practice stands (see Table 2). A self-assessment will take the chaos out of all the places a practice or system might make changes and organize the process of becoming more successful under value-based care into manageable parts. If some of these areas are handled by a central office and are outside the clinic's control, the clinic can focus on items that are within its control.

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**TABLE 1.**  
**Example Practice Goals**

Have a financially secure practice now	Grow my practice
Help my patients make positive health changes	Have better work life balance
Retain my staff	Remain independent
Add a provider	Meet system performance goals
Ensure my practice is compliant with regulatory requirements	Position my practice for acquisition, merger or ACO inclusion
Retire in 5 years and leave the practice in a good position	Maintain my practice so residents can access care they need
Perform better than my peers	Serve patients and make a meaningful impact

### Example 1

Sandra McCormack, MD, is a solo family physician in Tryon, North Carolina. With a career of over 30 years in medicine, she identified a goal of starting to plan for a successor, and key to that was achieving financial stability and maintaining her independence in preparation for future transitions. She scored her practice using the seven concept areas. Considering her goal, the scoring, and what steps would be the easiest and most impactful, she developed a plan.

#### The Plan

Following the MAHEC HIP Practice Inventory Tool, over the course of a year she moved to an electronic health record (EHR) that better suited her needs. She created a budget and began tracking key financial indicators such as patient volume and revenue. New sources of revenue were identified and tracked. She successfully submitted a patient-centered medical home renewal application and attested successfully to two quality programs that rewarded her practice financially. She improved care for a high-risk patient population by focusing on patients with behavioral health needs. For these patients, she initiated regular conferences with a local behavioral health provider to discuss patient cases. With more capacity to understand where her practice is financially, more systems in place to capture revenue for services provided, and a track record of managing high-risk patients, she began to strategize a plan for a successor. She used this new capacity to benefit from shared Medicare savings by joining an accountable care organization (ACO).

The work that Dr. McCormack did will make it easier for her to participate in the new Medicaid environment. She will understand any financial implications by reviewing monthly financial reports. She will be able to identify Medicaid beneficiaries and call them in for visits if they have not been in for a while. Medicaid beneficiaries who go to the emergency room will be followed up with promptly under the standard follow-up care process in place. Her staff are empowered to assist with helping beneficiaries get the preventive care they need.

### Example 2

Country Clinic is an independent physician assistant (PA-C) solo provider practice in Etowah, North Carolina. The

PA-C identified two important goals of making the practice attractive to a hospital system that would want to keep it open for the community and developing firm financial stability in order to stay independent until the right relationship developed.

He scored his practice using the seven areas outlined in the self-assessment. Based on his goal, the scoring, and what would provide the largest impact for the least effort, he developed his plan.

#### The Plan

The PA-C's plan included developing high-risk criteria, identifying patients who meet the criteria, creating a process to follow up with the identified patients, implementing chronic care management and transitions-of-care workflows, creating a budget and financial metrics, looking for opportunities for revenue enhancement, and closing a colon cancer screening gap.

His accomplishments over the year included creating an annual budget, implementing processes to improve patient care while generating revenue, and joining an ACO. He empowered staff to educate patients about getting colon cancer screening and engaged patients in deciding which screening tool was right for them. Of 112 patients who needed to be screened, he was able, through proactive outreach, to screen 86 (oral communication, Terri Roberts, MAHEC). Three of the 86 had positive tests and went on to diagnostic colonoscopy with abnormal findings (oral com-

**TABLE 2.**  
**NC AHEC Practice Inventory Tool**

<b>Access:</b> Making sure patients can see you when they need to
<b>Care Coordination:</b> Making good handoffs to referral sources
<b>Optimal Use of Health Information Technology:</b> Turning the EHR into a tool that supports your work rather than drains you
<b>Team-based Relationships:</b> Empowering your team to work at the top of their license and increase their satisfaction
<b>Patient and Family Engagement:</b> Engaging patients in their health
<b>Financial Health:</b> Producing a financial margin so that investments can be made to improve practice quality and growth
<b>Quality Improvement Culture and Evidence-based Care:</b> Using data to guide positive changes
Source. MAHEC.

*Griggs sidebar*

munication, Terri Roberts, MAHEC). By doing this proactive outreach to patients, three lives were likely saved. He performed in the highest tier (met the highest benchmarks) in the ACO and is recognized by his EHR vendor as having very high performance on claims and revenue cycle measures compared to others in the nation (oral communication, Terri Roberts, MAHEC).

Having worked on these operational and quality pro-

cesses, his practice will benefit under Medicaid managed care. The PA-C will be able to address financial implications by reviewing monthly financial reports. He will also be able to identify and address the health of Medicaid beneficiaries by proactively contacting them for scheduled follow-up or wellness visits. Staff are empowered to assist with helping beneficiaries get the preventive care and screenings that they need.

*Griggs sidebar continued*

### **Example 3**

Family Care Associates is a solo-owned provider practice with three PAs in Troy, North Carolina. The practice identified a goal of improving the bottom line and joining an ACO. Looking at these goals, scoring, and what was the least effort for the largest impact, the practice developed a plan.

### ***The Plan***

The practice plan included reviewing payer contracts, assessing EHR use to see if there were any modules or templates they could be using, and beginning to think about chronic care management.

Accomplishments included successfully clearing backlogged accounts receivable, redistributing the work of

following up on claims for more efficiency, improved collections performance, setting up new process for e-prescribing controlled substances using a dual verification process, incorporating an electronic wellness visit template into the EHR workflow, recruiting and enrolling a new PA, introducing chronic care management into the clinical workflow, and creating an established policy and procedure manual for the office to include clinical and billing policies. To gain potential financial incentives, they are considering joining an ACO (oral communication, Tracey Sellers, Southern Regional AHEC).

This practice will be going into Medicaid managed care in a stable financial position. Under Medicaid managed care, practices have the option to receive greater reimbursement by performing more managed care activities. For example, a practice that wants to take responsibility for more care coordination of patients can attest to a higher tier. This practice attested to the highest tier offered, Tier 3 [4].

Working toward the seven areas described above will help practices as they move into Medicaid managed care. Under the area of Access, one practice added one hour of walk-in visits a day to keep patients out of the emergency room. Another has undertaken the task of understanding who their patients are and bringing them in for preventive care. Giving care management responsibilities to staff members with support and oversight can improve care and increase staff satisfaction. Calling patients who have high blood pressure to come in for a visit or training staff on how to take blood pressure aligns with the Medicaid quality strategy.

Practices that take on this work will be well placed to thrive. They can help address some of the highest cost conditions that could benefit from improved management in the primary care setting. Practices that may appear vul-

nerable because of their rural setting or other factors that create financial vulnerability can build capacity to survive and thrive. The practices presented above achieved improved financial stability, provider satisfaction, and quality of patient care, and this will lead to thousands of patients, including Medicaid beneficiaries, having better access to higher-quality care.

The North Carolina Department of Health & Human Services' Division of Health Benefits recently partnered with NC AHEC to provide education and engagement services to health care providers, especially those in rural and underserved areas. More information can be found at <https://medicaid.ncdhhs.gov/practice-support-and-technical-assistance>. **NCMJ**

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