

Second  
Quarter  
Report

FFY15

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State of Louisiana Greater New Orleans Community Health  
Connection Demonstration 11-W-00252/6

01/01/15 -  
03/31/15

Through the Greater New Orleans Community Health Connection program, the State aims to:

- Preserve primary and behavioral health care access that was restored and expanded in the Greater New Orleans area after Hurricane Katrina with PCASG funds;
- Advance and sustain the medical home model begun under PCASG; and
- Evolve the grant-funded model to a financially sustainable model over the long term that incorporates Medicaid, CHIP, and other payer sources as the revenue base.

In July 2014, the State requested a three-year renewal of the GNOCHC 1115 demonstration waiver to preserve and further increase access to healthcare in the Greater New Orleans area, support providers in their efforts to transform and become self-sustainable, and reduce the need for more costly emergency care. On November 25, 2014, CMS approved the continuation of the waiver until December 31, 2016.

In the current quarter, the State focused on the following terms and conditions of the Demonstration:

#### **STC IV. 19. – Participating Providers**

At the close of the current quarter, 18 organizations, including 49 sites, were actively participating in the Demonstration (see attachment 1). There was no change from last quarter.

Five GNOCHC sites added behavioral health services: Daughters of Charity's Metairie, Carrollton, St. Cecilia, and New Orleans East locations and NOELA Community Health Center. NOELA hired a bilingual nurse practitioner to provide additional language access for their Spanish speaking patients. Plaquemines Primary Care expanded its business hours to five days per week. Also, they began a mobile unit to reach the underserved areas of Plaquemines Parish. CrescentCare Specialty Center has begun using Call-Pointe, an automatic appointment reminder, to help with reducing the number of no-show appointments. Jefferson Community Health Care Centers (JCHCC) has set a goal of participating in 25% more outreach events for 2015. EXCELth is planning to participate in a quality improvement initiative with area FQHCs focused on the GNOCHC population in order to reduce 30 day readmissions, decrease unnecessary emergency room visits, and navigate patients into primary care.

#### **STC IV. 26. – Submission of Encounter Data**

Transmissions between the State's MMIS and MSIS occur on a regular schedule. Claims information is submitted to MMIS fifteen days after the end of each quarter, while eligibility data is submitted to MSIS three months after the quarter's end.

Transmission of all data to MMIS and MSIS for Demonstration Year 4, Quarter 4 (DY4 Q4) and Year 5, Quarter 4 (DY4 Q1) are complete. Transmission of claims data for the current quarter (DY5 Q2) is complete. Eligibility data for this quarter was submitted to MSIS in March.

#### **STC V.37. – Affordable Care Act Transition**

As described in STC V. 37, the State is required to prepare, and incrementally revise in each quarterly report per STC IV. 36, a transition plan consistent with the provisions of the Affordable

Care Act (ACA) for individuals enrolled in the Demonstration, including how the State plans to coordinate the transition of these individuals to a coverage option available under ACA, including a simplified, streamlined process for transitioning eligible enrollees from the Demonstration to Medicaid or the Exchange.

The State requested and received approval to submit the draft transition plan after the July 1 deadline. The transition plan was submitted to CMS on October 31, 2013, and later revised on December 5, 2013 after discussions with CMS. On December 23, 2013, the State forwarded to CMS the outreach plans from the GNOCHC providers that received outreach grants.

The transition plan is a work in progress as the Demonstration is ongoing. GNOCHC income eligibility requirements as of January 1, 2014 were reduced from 200% of the Federal Poverty Level (FPL) to 100% of the FPL, thereby making GNOCHC enrollees ineligible for participation in the Federally Facilitated Health Benefit Exchange (i.e. the Marketplace) as long as they remain in GNOCHC. As of this writing, when the Demonstration ends, GNOCHC enrollees who applied after October 1, 2013 will be automatically referred to the Marketplace. Those who applied before October 1, 2013, will be informed of options to apply to the Marketplace for coverage. Since the incomes of enrollees are between 100-400% of the FPL and Louisiana did not take part in the Medicaid expansion, they will not qualify for an ACA subsidy.

All GNOCHC provider organizations, including new sites, provide ACA referrals and application assistance. Some have produced informational packets for their uninsured patients to self-enroll. Many of the provider organizations have contracted with ACA payers in Louisiana to increase revenue for patients who have been able to afford insurance from the Marketplace. Most GNOCHC provider organizations are participating in all of the Bayou Health managed care plans as well and have entered into Louisiana's Behavioral Health Partnership.

#### **STC IX. 54. – Evaluation Design**

Evaluation data through the quarter ending March 31, 2015 is shown in attachment 2. In brief, analysis of the DY5 Q2 data shows:

- The Demonstration continues to be successful in preserving access to primary and behavioral health care, as the number of participating providers remains at over 80%.
- Twenty-five providers are NCQA Patient-Centered Medical Homes (PCMH). Of the twenty-five sites, fourteen sites are at the highest possible recognition level, Level 3, and eleven sites are at Level 2. NCQA PCMH recognition ended for two sites this quarter, Level 3 ended for CrescentCare Specialty Center (formerly New Orleans AIDS Task Force) and Level 2 ended for Common Ground. CrescentCare will renew their application, soon. Common Ground has submitted its application for recognition renewal and an upward movement to Level 3.
- Revenue data as reported on the semi-annual sustainability reports has been received for DY5 Q2. Data suggests that financial sustainability remains an issue for providers.
  - In DY5 Q1, GNOCHC revenues accounted for 36.2% of total patient revenue.
    - 23.1% of providers report that GNOCHC is <25% of total patient revenues.
    - 46.2% of providers report that GNOCHC is 25-50% of total patient revenues.
    - 7.7% of providers report that GNOCHC is 50-75% of total patient revenues.

- 23.1% of provider report that GNOCHC is greater than 75% of total patient revenue.
  - In DY5 Q2, GNOCHC revenues accounted for 34% of total patient revenue.
    - 21.4% of providers report that GNOCHC is <25% of total patient revenues.
    - 35.7% of providers report that GNOCHC is 25-50% of total patient revenues.
    - 21.4% of providers report that GNOCHC is 50-75% of total patient revenues.
    - 21.4% of provider report that GNOCHC is greater than 75% of total patient revenue.
- GNOCHC patients represent 20% of the GNOCHC providers' patient population, 1.7% of their patients are uninsured under age 19, 18.4% are under age 19 and enrolled in Medicaid or CHIP, and 22.3% are uninsured non-elderly adults.
- Utilization of behavioral health care services by unique enrollee subpopulations (parents to childless adults) is higher for adults with children (1.5 per month for homes with children compared to .9 for homes without children). The number of enrollees receiving both primary and behavioral health encounters in the same quarter remains low and the number of those receiving both type of services on the same day increased 2.7% over last quarter.

## **Enrollment Information**

During the current quarter as shown in attachment 3:

- Average GNOCHC application processing time is 94 days (103 days last quarter). Average processing time has improved in the last two months to 74 days in February and 70 days in March. It has not been this low since April 2014. The percentage of all GNOCHC applications pending for more than 45 days decreased to 25% (67% last quarter). The application backlog has been mostly completed. The number of new applications received has declined.
- Total GNOCHC enrollment has increased by 2.5% this quarter. This is close to what was predicted by our actuary.
- Enrollment as of March 31, 2015 is 57,878. All recipients are under the income limit of 100% of the FPL.

## **Financial Developments**

Payments to providers for this quarter consisted of only encounter rate payments. Incentive payments for NCQA Patient Center Medical Home (PCMH) recognition ended last quarter. No further payments will be made. A new incentive payment has been submitted to CMS. This incentive is for changes to business operations to expand access to care and care management and establish medical homes. As of this writing, CMS approved the new payment on April 29, 2015.

### *Encounter Rate Payments*

In the current quarter, encounter rate payments to providers were for claims with dates of service in DY5. Per the claims processing system maintained by the State's Fiscal Intermediary, encounter rate payments made in the current quarter totaled \$3,467,670.11. Details for each organization follow.

<b>Organization</b>	<b>Payment</b>
Access Health Louisiana	\$393,654.34
Administrators of the Tulane Educational Fund	\$43,842.93
City of New Orleans Health Department	\$49,815.00
Common Ground Health Clinic	\$75,742.04
Daughters of Charity Services of New Orleans	\$747,813.64
EXCELth, Incorporated	\$345,007.28
Jefferson Community Health Care	\$450,053.09
Jefferson Parish Human Service Authority	\$181,209.08
Louisiana State University School of Medicine	\$4,679.12
Medical Center of Louisiana at New Orleans	\$351,801.43
Metropolitan Human Services District	\$78,167.04
MQVN Community Development	\$60,270.00
New Orleans Musicians Assistance Foundation	\$29,071.87
NO/AIDS Task Force/Crescent Care Specialty Center	\$18,267.56
Odyssey House Louisiana Inc.	\$214,507.76
Plaquemines Primary Care	\$6,150.00
Sisters of Mercy Ministries	\$1,627.52
St Thomas Community Health Center	\$415,990.41
<b>TOTAL</b>	<b>\$3,467,670.11</b>

This amount is more than the \$3,435,232 reported for encounter payments on the CMS 64 for DY5 Q2, but these amounts do not usually equal as payment dates lag and data is collected at various times. Payments were made in this quarter for prior periods: \$1,232,605 for administrative costs occurring in DY3, \$39,021 for FQHC in DY4, and \$1,227 for FQHC in DY4. GNOCHC personnel are discussing these payments with the department who produces the CMS 64. As reported previously, MEG 2 was incorrectly coded for dates of service after the FPL changed on January 1, 2014. System changes were recently completed by the Fiscal Intermediary to correct this error. Incorrect payments will be adjusted to MEG 1. All payments going forward will be coded as MEG 1.

*Budget Neutrality*

Expenditures for DY1 continue to appear to exceed the \$30M annual budget due to DY1 recoupments that are still pending from EXCELth and Leading Edge. With the approval of the renewal, the expenditure limit is \$163.1M. The total expenses for the Demonstration as of this quarter remain under the expenditure limit. The State expects to stay under the expenditure limit for the remainder of the Demonstration. See attachment 4 for the budget neutrality worksheet.

## **Operational Issues**

No operational or consumer issues were noted in the current quarter. Provider organizations are working towards achieving self-sustainability and diversifying their revenue streams.

**Attachments** (described above):

1. GNOCHC Participating Providers
2. Evaluation Data
3. Enrollment Update
4. Budget Neutrality Worksheet

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