

Case Study Series on Medicaid Cost-Sharing Partnership Development

What is North Carolina's cost-sharing partnership with Medicaid?

Since 2011, North Carolina's Medicaid program has employed the federal 50 percent federal match for quitline administrative costs (i.e., counseling services) for Medicaid members in the fee-for-service program who use the quitline. This cost-sharing program was authorized by CMS in 2011 and is also known as Medicaid Match and Federal Financial Participation (FFP). The match has resulted in approximately \$260,000 in reimbursement for quitline counseling annually. With the advent of NC Medicaid moving to a Managed Care Organization (MCO) model, cessation treatment language was included in the Medicaid MCO request-for-proposals (RFP). The RFP language states that the MCO must provide cessation coverage for all members and contract with the state quitline vendor for a service that offers treatment similar to the state quitline. NC quitline is currently in the contracting process with each MCO. Most recently, NC Medicaid has agreed to allow pharmacies to provide and bill for medications via a standing-order prescription for 12 weeks of NRT for Medicaid members receiving quitline services.

NC's partnership with Medicaid includes the education of providers and beneficiaries on the tobacco treatment coverage benefits. Next steps will be to add the quitline behavioral health protocol into the benefit. With Medicaid covering the costs for most of the quitline services for Medicaid recipients, state funds can be used towards enhancing services for NC's most disparate populations and the uninsured.

What was the impetus for partnering with Medicaid?

The US DHHS Centers for Medicare and Medicaid Services (CMS) letter in 2010 identifying telephone cessation quitlines as an "allowable Medicaid administrative activity" was a huge motivator for both Medicaid and NC tobacco program to cost-share quitline services. The CDC 6|18 Initiative reignited the partnership which has led to regular communication between the programs.

How did North Carolina build a relationship with Medicaid to develop a cost-sharing partnership?

NC's Medicaid partnership began in 2008 when the Medicaid program agreed to a Memorandum of Understanding (MOU) to help pay for costs of counseling for their members through the Medicaid Match. Two years later, the Director of Medicaid was approached by the State Health Director with a proposal for Medicaid to pay for QuitlineNC services. The proposal was written by the Tobacco Cessation Coordinator and was modeled after the contract the quitline had with the State Health Plan for state employees. The proposal led to conversations about Medicaid participating in the Medicaid match and in 2011 a new MOU was written to reimburse the quitline for the cost of counseling services at a rate of 50% of the actual costs for counseling provided to Medicaid members.

What is the process for Medicaid reimbursement of quitline services provided to Medicaid participants?

The Medicaid match has been in place since 2010 and reimbursement is 50% of administrative costs based on the percentage of Medicaid recipients served by the quitline. More recently, Medicaid helped streamline access to Medicaid's

pharmacotherapy benefit. The quitline mails Medicaid enrollees a two-week NRT starter kit and a standing order prescription for 12 weeks of combination NRT therapy that can be taken to any pharmacy in the state. The pharmacy then bills Medicaid for the medications.

What do you believe were the most important factors to North Carolina's success?

Leadership support from both agencies and on-going regular communication has been instrumental in NC's partnerships with Medicaid. The MOU to draw down the Medicaid match, the inclusion of cessation treatment language in the MCO RFP and the recent agreement to the standing order for medications clearly demonstrates that success is possible when leadership gets involved and communication lines are kept open.

What were the challenges you faced in partnering with Medicaid?

The transition of Medicaid fee-for-service program to an MCO model has its challenges, with many

communications and information requests having to be repeated.. Another challenge from the onset of NC's partnership effort has been not knowing the language of each other agencies.

What words of advice would you give other states interested in developing a cost-sharing partnership with Medicaid?

Learn the language of the Medicaid plans and benefits. Do not speak in acronyms and do not assume anything. Ask questions and be very clear about what you want in the partnership. Keep communications open even if Medicaid colleagues are very busy.

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