



August 16, 2021

Deputy Secretary Dave Richard
NC Department of Health and Human Services
2001 Mail Service Center
Raleigh, NC 27699-2000

Dear Dave:

On behalf of the almost 7,000 members of the NC Pediatric Society, the NC Academy of Family Physicians and the patients they serve, we are reaching out to ask the Department to consider extending certain flexibilities implemented during the roll out of Medicaid Managed care until the end of 2021.

As you know, our organizations have worked closely with the Department to prepare for this transition. Medicaid and CHIP cover many of our patients including approximately 40 percent of the children in North Carolina, even more in rural areas. Despite these coordinated efforts, we are concerned that removing key guardrails the Department had in place for the first portion of the transition will result in a loss of services for patients and their families during the current COVID resurgence. We urge you to consider these three specific requests:

- 1) An extension of the time Medicaid beneficiaries have to change their health plan without cause;
- 2) An extension of the time that out-of-network providers will be treated as in-network providers;
- 3) And finally, an extension of the period where prior authorizations are not needed for services.

We will further outline our rationale for these requests below:

Delta Variant: As data on the NCDHHS website amply demonstrates, our state is in the middle of an alarming increase in COVID cases, hospitalizations, and ventilator demand. This is not the time to make it harder for patients to get appropriate care or for complicated Prior Authorization requirements to incentivize the emergency room as the fastest door to patient care.

Network adequacy: If the time allowed for patients to be seen as “in network” by all providers is not extended, patients in some areas of the state will be left with the emergency room as their main door to a variety of care. Hospitals should not be asked to shoulder this extra burden as admissions are increasing due to COVID. Alternatively, families should not be asked to forgo care. While we remain hopeful these issues can be resolved longer-term to ensure network adequacy, extending existing guardrails through the end of the year will provide important patient protections.

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Patients left vulnerable: While practices have been working with families to try to change Plans to ones that offer local hospitalization and subspecialty care, it can take about 15 to 20 minutes of staff time to help navigate this change on the phone. Practices need more time to educate patients or the parents of children. We also encourage more robust training of Enrollment Broker personnel with appropriate scripts to help assure families are covered by plans that can provide primary care, hospitalization and subspecialty care all within a reasonable distance.

Practice burden: COVID has caused a huge strain on primary care practices. Even before the emergence of the Delta variant, many practices were stretched financially and otherwise due to their extended and continuous pandemic response. Some also remain short staffed due to financial cutbacks, illness among their own staff, or even the effort to care for their own families. The increased administrative burden faced by the move to Medicaid Managed Care only exacerbates these issues. Many practices are struggling to respond to both COVID *and* Medicaid reform. This is not the time to put additional strains on practices by prematurely ending certain guardrails while practices are struggling to respond to both COVID and Medicaid reform

Managed Care Implementation Issues: While we value the deliberate efforts of the Department to ensure smooth implementation of Managed Care, some issues remain. For example, continued claims payment errors with some of the plans further strain our primary care infrastructure during this crucial time, at times causing additional financial hardship and impacting access to care.

The strains faced by patients, families, pediatricians, and family physicians alike will be eased by extending the period of time that providers can treat patients as in-network with limited prior authorization requirements coupled with continuing to allow changes in plans without cause through the end of the year. We encourage you to make these adjustments prior to September 1 to promote stability during this transition as the state deals with another wave of COVID cases.

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We truly appreciate all the Department is doing to help implement managed care during a major healthcare crisis, and we look forward to continued collaboration with you to ensure our patients and their families receive appropriate care. We welcome the opportunity to further discuss these requests and encourage you to reach out to our association executives if you have any questions or would like to arrange a meeting.

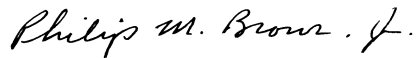
With best regards,



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