



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Strategic Plan Review of Changes

Board of Trustees Meeting

August 4, 2016

A Division of the Department of State Treasurer

Presentation Overview

- Review of Changes to the Strategic Plan
- Review of Roadmap
- Board Action

Review of Key Proposed Changes

- Expand the scope from Patient Centered Medical Home (PCMH) to Medical Homes which includes PCMH, ACOs, and other entities that provide similar services
- Refreshed text to reflect changes in the health care landscape
- Updating the Roadmap/Projects/Timelines

Expanding Scope Beyond Patient Centered Medical Home

- When the Strategic Plan was approved the industry appeared to be moving toward a Patient Centered Medical Home (PCMH) model, a specific model for care, that highlighted care coordination, delivery of high value care, and the elimination of duplicative/unnecessary care.
- The Plan still values and wants to incent these types of practices but they are being delivered multiple manners including Accountable Care Organizations (ACOs) and Clinically Integrated Networks (CINs).
- Changing the language to Medical Home is the Plan's attempt to recognize that this type of care is being delivered in multiple manners but all at the primary care practice.

Refreshed Text to Reflect Changes in the Health Care Landscape and the Plan

- Language is updated to reflect implementation of a communications strategy.
- Stress the use of appropriate care and high value care.
- Incorporate initiatives to address the growing impact of super “utilizers”
 - “Super utilizers” refers to members who have significant inpatient or ER visits that could be prevented with better care management
 - These members likely have multiple chronic conditions that are not managed.

Summary of Roadmap Modifications: Improve Members' Health

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Maximize PCMH Effectiveness (revised to Medical Home Effectiveness)	<ul style="list-style-type: none"> PCMH Pilot 	<ul style="list-style-type: none"> Identify opportunities to best support practice transformation, care coordination in low resource areas and small practices
	<ul style="list-style-type: none"> Implementation of the PCMH model statewide 	<ul style="list-style-type: none"> Invest in and participate in alternative payments for PCP providers that focus on delivering high value care (e.g., CPC+)
High Prevalence High Cost Care Management	<ul style="list-style-type: none"> High utilizer care management and coordination plan for members with chronic conditions 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve High utilizers now referred to as Super Utilizers
	<ul style="list-style-type: none"> Chronic Pain Pilot to combat drug abuse 	<ul style="list-style-type: none"> Project has been delayed and will be implemented in CY 2017
	<ul style="list-style-type: none"> Transition of Care Program through ADT feed 	<ul style="list-style-type: none"> Program/Project will continue with an emphasis on Primary Care Engagement ensuring successful transitions in care

Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on [page 16](#).

Summary of Roadmap Modifications: Improve Members' Health

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Value-Based Benefit Design	<ul style="list-style-type: none"> Implement the next generation of wellness activities, premium credits, and incentives to increase member engagement and accountability, improve medication adherence, reduce waste and encourage the use of quality providers. 	<ul style="list-style-type: none"> Specific focus on the following areas include: Health Engagement Program, Site of Service, and Providing preferential cost sharing on high value services, medications, and providers
Worksite Wellness	<ul style="list-style-type: none"> Wellness Champions Pilot Multipronged Three County Pilot (Program will be completed) 	<ul style="list-style-type: none"> Program will continue with enhanced focus on statewide approach through new PHM contract Incorporate learning from the program into the Wellness Champions program

*Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on **page 16**.*

Summary of Roadmap Modifications: Improve Members' Experience

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Communications and Marketing	<ul style="list-style-type: none"> Implement a coordinated communications approach for Retiree Health Benefits 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve
	<ul style="list-style-type: none"> Enhance Medicare Primary learning module and develop additional outreach strategies 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve
	<ul style="list-style-type: none"> Develop learning modules for Active and non-Medicare retirees to enhance health literacy 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve
Enrollment Experience	<ul style="list-style-type: none"> Implement New Eligibility and Enrollment Vendor 	<ul style="list-style-type: none"> Make enhancements where available to enrollment and eligibility experience
	<ul style="list-style-type: none"> Open Enrollment and Benefit Design Communication 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve

*Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on **page 17**.*

Summary of Roadmap Modifications: Improve Members' Experience

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Health Literacy	<ul style="list-style-type: none"> Blue Connect Launch (Program will be completed) 	<ul style="list-style-type: none"> Strategy contingent on TPA RFP; short-term goal to maintain the course Implement State Health Plan 101 series
	<ul style="list-style-type: none"> Transparency and Literacy Programs 	<ul style="list-style-type: none"> Continue to improve the existing tools and implement enhanced health benefits estimator
	<ul style="list-style-type: none"> Incentive Rewards Program 	<ul style="list-style-type: none"> Focus on outcomes based programs

Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on [page 17](#).

Summary of Roadmap Modifications: Ensure Financial Stability

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Target Acute Care and Specialist Medical Expense	<ul style="list-style-type: none"> • Telehealth program to reduce ER utilization and provide direct access with physicians 	<ul style="list-style-type: none"> • Provide incentives for members to utilize higher quality and lower cost providers such as PCP and Urgent Care, which may include telehealth
	<ul style="list-style-type: none"> • Incent Site of Service 	<ul style="list-style-type: none"> • Incorporated into Value-based benefit design under Improve Members' Health
Target Pharmacy Expense	<ul style="list-style-type: none"> • Specialty Pharmacy Management 	<ul style="list-style-type: none"> • Program/Project is ongoing and will continue to evolve Current strategy centers around appropriate tiering and closed formulary
	<ul style="list-style-type: none"> • Enhanced Fraud Waste & Abuse Program 	<ul style="list-style-type: none"> • Program has been delayed and will likely begin under new PBM contract and as new staff on-boards

*Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on **page 18**.*

Summary of Roadmap Modifications: Ensure Financial Stability

Strategic Initiative	Original Program and Projects	Revised Program and Projects
Alternative Payment Models	<ul style="list-style-type: none"> Alternative Payment Models 	<ul style="list-style-type: none"> Program is ongoing and will continue to evolve with new strategies through TPA RFP and payment models that are available
Adequate Stable Funding	<ul style="list-style-type: none"> Communication with State Government Leadership 	<ul style="list-style-type: none"> Program/Project is ongoing and will continue to evolve

*Complete description and timelines of Roadmap Programs and Projects are included in the Strategic Plan on **page 18.***

Board Discussion and Action

Plan staff recommends approval of the proposed changes and updates to the Strategic Plan for 2016 to 2020 as shown on pages 1-19 of the document.