

Alabama Medicaid Agency

**Integrated Care Network (ICN)
Frequently Asked Questions
(FAQs)**

As of August 24, 2017

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Probationary Certification	
Date Added/ Revised	Questions and Answers
8/24/17	<p>Q1. Who needs to apply for probationary certification?</p> <p>A1. Only organizations intending on submitting a response to the Agency's mandated competitive procurement (MCP) for the ICN Program need to apply for probationary certification. If an individual or organization intends to be a medical provider, vendor, or otherwise provide service to or for an ICN, they do not need to submit an application for probationary certification.</p>
8/24/17	<p>Q2. When can I submit an application for probationary certification?</p> <p>A2. The Medicaid Agency is currently accepting applications for probationary certification.</p>
8/24/17	<p>Q3. How do I submit an application for probationary certification?</p> <p>A3. All applications for probationary certification must be submitted through the ICN SharePoint. In order to be granted access to the ICN SharePoint, an organization should submit the appropriate ICN SharePoint Access form, which can be found on the Medicaid Agency's website: (http://www.medicaid.alabama.gov/documents/5.0_Managed_Care/5.2_Other_Managed_Care_Programs/5.2.4_ICNs/5.2.4_ICN_SharePoint_Access_Form_Fillable.pdf)</p>
8/24/17	<p>Q4. When must applications be submitted?</p> <p>A4. The Agency is in the process of revising the procurement timeline. Because of these revisions, the Agency is extending the timeframe for submitting applications for probationary certification. These applications will be due after the Mandated Competitive Procurement (MCP) is released; therefore, the MCP will contain a specific due date.</p>
8/24/17	<p>Q5. Do I have to have all probationary certification requirements (potential ICN organization incorporated with a complete and constituted board) met by the deadline for application submission?</p> <p>A5. No, but substantial compliance will be required as set forth hereafter.</p>
8/24/17	<p>Q6. When must the application for probationary certification be completed?</p> <p>A6. An organization must first be awarded probationary certification before it may submit a response to the MCP. Accordingly, an organization must complete its application before the MCP response due date. The MCP will contain a specific due date</p>

Probationary Certification	
Date Added/ Revised	Questions and Answers
8/24/17	<p>Q7. Does an organization need to have a complete governing board of directors in order to submit an application for probationary certification?</p> <p>A7. No. An applicant for probationary certification may fill board seats after application submission. However, the board seats must be filled or substantially filled (as defined in Alabama Medicaid Administrative Code Rule 560-X-64-.12(3)) in order to be awarded probationary certification.</p>
8/24/17	<p>Q8. For non-risk bearing board members, is it permissible for the ICN to select which of the two organizations specified in Alabama Medicaid Administrative Code Rule 560-X-64-.03(1)(b)(iv)-(vi) it would ask to appoint a representative to the governing board of directors?</p> <p>A8. Yes.</p>
8/24/17	<p>Q9. Does an ICN have the right to ratify appointments of non-risk board members?</p> <p>A9. The applicable ICN rules allow certain designated entities to make such appointments and do not afford the ICN the opportunity to ratify or reject the appointments made.</p>
8/24/17	<p>Q10. How will the governing board of director’s diversity requirement be measured?</p> <p>A10. Because the ICN Program is statewide, the ICN’s governing board of directors and executive committee’s (if any) diversity will be measured against statewide racial, gender, and geographic area demographics. In the near future, the Medicaid Agency intends to release a demographic report of the proposed ICN population.</p>
8/24/17	<p>Q11. Will the ICN need to have an NPI number and Medicaid ID number?</p> <p>A11. At the time the organization applies for full certification, yes.</p>

Strategy and Viability of Model	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q12. Are there planned or implemented programs in other states similar to the updated ICN model? If so, what states?</p> <p>A12. There are a number of states who have implemented managed long-term services and supports (MLTSS) models; however, Alabama is pursuing a provider-sponsored approach, whereby managed care entities are governed by boards that include providers who share in the risk arrangement.</p>
8/16/17	<p>Q13. Given the updated model, will the agency re-evaluate the Quality Plan and only hold ICNs accountable for quality metrics they have full control over?</p> <p>A13. The Agency expects to use the quality metrics selected by the ICN Quality Assurance Committee to evaluate the ICN program.</p>
8/16/17	<p>Q14. What does the Agency expect the ICNs to accomplish in the first 2 years under this updated model?</p> <p>A14. At a high level, the Agency seeks to implement a program that allows enrollees to stay in their homes and communities as long as possible while meeting their healthcare and functional needs. The Agency also seeks to incorporate a quality framework to drive clinical and quality of life outcomes for members receiving LTSS. In addition, the Agency seeks to transition to a capitated payment model, with the long-term goal of reducing anticipated cost growth for the LTSS-eligible population.</p>
8/16/17	<p>Q15. How far in advance of the mandated competitive procurement (MCP) release will the Agency select a final model for ICNs?</p> <p>A15. The Agency plans to release the details of the ICN model along with the release of the MCP.</p>
8/16/17	<p>Q16. Does the State intend to enroll all beneficiaries on the same date or will a phase-in approach be used?</p> <p>A16. The current intention is for all beneficiaries to begin receiving services on October 1, 2018.</p>
8/16/17	<p>Q17. What is the State assuming with regard to mortality in the nursing facility and the rate at which HCBS people will move into the nursing facility?</p> <p>A17. Assumptions for the mix of nursing facility and HCBS enrollment will include analyzing the typical historical churn in and out of each setting on a monthly basis and how that churn might change with the addition of a managed care entity as well as the potential impact related to a change in the number of slots in the HCBS setting. Additionally, consideration will be given to the potential for population growth and how that growth might impact the overall mix.</p>

Strategy and Viability of Model	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q18. Is the State assuming that all new entrants to the program will be from HCBS and that nursing facility members will come from shifting HCBS members?</p> <p>A18. All new entrants into the program will not be assumed to enter the HCBS setting only as that may not be appropriate depending on the level of care needed. Rather, as discussed in the response to question 17, the impacts on churn in and out for each setting that the ICN will be able to provide will be the basis for the assumptions for new entrants.</p>
8/16/17	<p>Q19. Based on the concept paper, the HCBS members will be from the following waiver programs: Alabama Community Transition (ACT), Elderly & Disabled, and HIV/AIDS. Will only beneficiaries that would have been eligible for one of these HCBS programs be eligible for the ICN?</p> <p>A19. Beneficiaries eligible for the ACT and Elderly & Disabled waivers as well as long-term residents of a nursing home will be eligible for the ICN. The HIV/AIDS waiver is not being renewed in 2017, and the small population of HIV/AIDS waiver participants will be covered by the Elderly & Disabled waiver, which offers more services.</p>
8/16/17	<p>Q20. Will the ICN only be responsible for the services provided under the Elderly & Disabled and ACT waiver programs or are there additional benefits included in the ICN covered benefits? If there are additional benefits, what are they and will the State provide historical cost estimates?</p> <p>A20. The ICN will be responsible for the services as defined ultimately its contract with the State. See slide 8 from the stakeholder slide deck dated 6/27/17 on Medicaid’s website. To the extent that the ICN is responsible for benefits not captured in the historical data, an adjustment will be required when establishing the actuarially sound rates.</p>

Claims Processing	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q21. Will the Agency bill ICNs for claims processing services?</p> <p>A21. In an effort to minimize the administrative load for the ICN, the Agency does not anticipate billing ICNs for claims processing services. However, the Agency expects the ICN to contract with its fiscal agent for the overhead associated with disbursement of funds for the management of financial transactions.</p>
8/16/17	<p>Q22. Will ICNs administer prior authorizations?</p> <p>A22. For the initial two-year contract period, the Agency anticipates requiring the ICN to use the same prior authorization criteria as the current fee-for-service program. The Agency anticipates that its prior authorization vendor will continue to conduct the prior authorization review for State Plan services. For the authorization of HCBS services subject to a monetary limit (e.g., home modifications and equipment), the Agency plans to establish the limits for prior authorization of these HCBS services and the ICN will have responsibility for working with the AAA case manager and service provider to determine a cost of HCBS services within the limit.</p>
8/16/17	<p>Q23. How often will claims feed be supplied to the ICNs?</p> <p>A23. The Agency anticipates that claims feeds will be supplied to the ICNs daily.</p>
8/16/17	<p>Q24. How will the Agency handle non-emergency transportation claims given that the ICN is required to provide non-emergency transportation.</p> <p>A24. Non-emergency transportation (NET) services will be carved out of the ICN capitation rate for the first two years of the program. Enrollees may continue to access NET services in the same manner they do today.</p>
8/16/17	<p>Q25. Will ICNs be expected to contract with providers if they do not process the claims?</p> <p>A25. Yes, ICNs will be responsible for developing their own provider networks and contracting with providers.</p>
8/16/17	<p>Q26. If ICNs contract with providers, how will the Agency handle out-of-network claims?</p> <p>A26. Out of network providers must coordinate with the ICN with respect to payment. The ICN must ensure that the cost to the enrollee is no greater than it would be if the services were furnished within the network.</p>

Claims Processing	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q27. If claims are not paid correctly then who is responsible?</p> <p>A27. If there are issues with claims payment, the Agency will address these issues with its contracted fiscal agent.</p>
8/16/17	<p>Q28. If the ICN performs customer service, how will they view claims information in the State systems?</p> <p>A28. The Agency anticipates that the fiscal agent will operate the provider call center for issues related to claims payment.</p>

Financial	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q29. What is the anticipated savings percentage (or range being considered) expected of ICNs in the first year?</p> <p>A29. Potential ICNs will supply anticipated savings during the competitive procurement process. The Agency’s actuaries will independently calculate savings within the framework of actuarially sound rates. Final capitation rates, including savings, must be reasonable, appropriate, and attainable.</p>
8/16/17	<p>Q30. For the risk corridor mentioned on slide 9 at the June 27th meeting, please provide a brief description of how that would work.</p> <p>A30. AMA is considering several options to manage the risk of a new program transition. Two risk corridor concepts mentioned on slide 9 of the June 27th meeting would be based on the enrollment mix or the medical costs for non-duals. For either risk corridor approach, the State would outline a range (or ranges) for the given metric above or below its expected value, for which the ICN would be completely at risk. Outside of this initial range (or ranges), the ICN would be only partially at risk or not at risk at all, depending upon the final risk corridor structure.</p> <p>At this time, AMA has not finalized a policy decision regarding the implementation of risk corridors.</p>
8/16/17	<p>Q31. Will there be any stop loss or other reinsurance requirements?</p> <p>A31. No.</p>
8/16/17	<p>Q32. Please define “contingency margins”.</p> <p>A32. ICNs may encounter unexpected variation during the contract period which cannot be accounted for during the rate development process. Contingency margins are a portion of the capitation rates, which are included to account for unexpected variation ICNs may encounter during the contract period.</p>
8/16/17	<p>Q33. How will money flow between the State and ICN?</p> <p>A33. The Agency will pay a monthly capitation based on enrollment to the ICN each month. The capitation rates will be determined prior to the start of the program and will be updated each year. Timelines and additional policies describing the flow of money between the state and the ICN will be outlined in the MCP.</p>
8/16/17	<p>Q34. Will the ICN Program have a quality withhold?</p> <p>A34. All financial related items are still under consideration. More details will be forthcoming in the financial solvency rules and the ICN contract.</p>

Financial	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q35. Will there be real-time access to the claims data to allow for consistent financial related analysis to better manage benefit costs?</p> <p>A35. The Agency anticipates that claims feeds will be supplied to the ICNs daily.</p>
8/16/17	<p>Q36. What years will be used as the basis for the capitation rates?</p> <p>A36. The intent is to review data from at least FY15, FY16, and FY17 as a part of the rate development process for rates that will go into effect in FY19. The determination of the exact years that will be used for the base data has not yet been determined.</p>
8/16/17	<p>Q37. What basis will be used to trend the costs to FY2018?</p> <p>A37. Trends will be developed based on actual historical experience as a starting point. At a minimum, FY15->FY16 and FY16->FY17 trends will be developed for utilization per thousand and unit cost components, which together make up the per member per month (PMPM) trend. Trends will be developed separately by population type and service category (including nursing facility, home and community based services (HCBS), and acute care services such as inpatient, outpatient, and physician). Any adjustments that are accounted for outside of the trend process in the rate development process will be accounted for within the trend development in order to ensure no duplication of adjustments occur.</p>
8/16/17	<p>Q38. We understand the State is assuming a nursing facility/HCBS distribution of 70%/30% in FY2018 moving to 67%/33% by FY2023. If the actual distribution in the years after FY2018 is different from what was assumed at start up, does the State intend to adjust the cap rate to reflect the actual distribution in the future years?</p> <p>A38. Capitation rates will be developed on an annual basis. Each year's rate development will incorporate the most recently available complete data as well as will consider any known programmatic policies or actions that may impact the given year's expenditures. With that said, the year one FY19 capitation rates will assume some mix of nursing facility/HCBS enrollment. That mix will be reevaluated for each year's capitation rates after year one based on emerging program experience. The State is additionally considering the implementation of a risk corridor either based upon the enrollment mix or some portion of ICN PMPM expenditures.</p>

Care Coordination	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q39. What would be the contract rate for the Area Agencies on Aging to the ICN? Will they utilize ICN systems and policies for care management?</p> <p>A39. The Agency anticipates the contract between the AAAs and ICN will include current direct case management rates. The Agency anticipates that AAAs will be expected to adhere to existing case management requirements, in addition to other case management requirements necessary to adhere to federal managed care regulations. An ICN's policies should be consistent with existing case management policies and procedures.</p>
8/16/17	<p>Q40. What is the statement of work for care coordination activities included in the nursing facility per diem rate? How are they monitored? Are they expected to use ICN care coordination systems to document activities?</p> <p>A40. Nursing facility care coordination includes development of a comprehensive care plan and addressing quality of life needs of members by qualified social service professionals. The nursing facility must develop a comprehensive care plan for each resident that includes measurable objectives and timetables to meet a resident's medical, nursing, mental and psychosocial needs as identified by a comprehensive assessment.</p> <p>Facilities are monitored for performance on a regular basis by the Alabama Department of Public Health.</p> <p>Facilities will not be required to use ICN care coordination systems for their documentation.</p>
8/16/17	<p>Q41. What type of case management will ICNs provide?</p> <p>A41. The ICN will provide HCBS case management for services to enrollees in the 1915(c) waiver through Area Agencies on Aging during the initial two-year contract period. The ICN will pay nursing facilities a per diem that will include care coordination activities for nursing home residents.</p>

Procurement	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q42. Are covered services paid under the Medicaid Fee Schedule or will there be another Fee Schedule for these services?</p> <p>A42. The Agency is still in the process of developing the fee schedule requirements.</p>
8/16/17	<p>Q43. What is the expected timeframe for issuance of a Probationary Certification after the application submission?</p> <p>A43. The Agency anticipates reviewing applications for Probationary Certification within one week of receiving the application. Based on the Agency's review, the organization may need to make revisions to its application or provide additional information or clarification. Therefore, the timeframe for issuance of Probationary Certification will vary depending on the number of issues that need to be resolved with the application.</p>
8/16/17	<p>Q44. What are the qualification requirements contained in the MCP?</p> <p>A44. Other than those contained in Alabama Medicaid Administrative Code Rule 560-X-64-.09, qualification requirements to be included in the MCP have not been finalized.</p>

Pediatrics	
Date Added/ Revised	Questions and Answers
8/16/17	<p>Q45. What groups of children with disabilities will be covered by ICN?</p> <p>A45. All Medicaid eligible children who meet the defined nursing facility level of care will be eligible for the ICN. Groups excluded from the ICN program include: foster children, participants in the Intellectual Disabilities waiver, Living at Home waiver, State of Alabama Independent Living (SAIL) waiver and Technology Assistance waiver will not participate. Two HCBS waivers will be included in the ICN program: the Elderly and Disabled waiver and the ACT waiver</p>
8/16/17	<p>Q46. What provisions are being taken to design service delivery networks for a care continuum for the pediatric population?</p> <p>A46. Each ICN must have executed provider contracts with an adequate number of “Primary Medical Providers,” which include Pediatricians, and “Non-Core Providers,” which include Pediatric subspecialists, under Alabama Medicaid Administrative Code Rule 560-X-64-.07(1)(a)(vii) and (7)(1)(g) to provide medically necessary services or provide a plan acceptable to the Agency detailing how medically necessary covered services will be delivered. Through its contract with the Agency, each ICN will be responsible to ensure that all medically necessary covered services are delivered to its enrollees of any age.</p>
8/16/17	<p>Q47. Who in the Agency is advising on the pediatric care?</p> <p>A47. The Agency has designed the ICN program through a transparent process and with consultation from internal subject matter experts, including pediatric care experts. The Agency continues to welcome input from all stakeholders of the ICNs.</p>
8/16/17	<p>Q48. How will the children be represented in the ICN governance, provider standards committee, and medical directors?</p> <p>A48. Parents or other caregivers of child beneficiaries will have the opportunity to participate in the ICN’s Citizens’ Advisory Committee.</p>

Alabama Medicaid

8/24/17	<p>Q49. For non-risk bearing board members, is it permissible for the ICN to select which .03(1)(b)(iv)-(vi) it would ask to appoint a representative to the governing board of</p> <p>A49. Yes.</p>
8/24/17	<p>Q50. Does an ICN have the right to ratify appointments of non-risk board members?</p> <p>A50. The applicable ICN rules allow certain designated entities to make such appointments and</p>
8/24/17	<p>Q51. How will the governing board of director's diversity requirement be measured?</p> <p>A51. Because the ICN Program is statewide, the ICN's governing board of directors and executive demographics. In the near future, the Medicaid Agency intends to release a demographic r</p>
8/24/17	<p>Q52. Will the ICN need to have an NPI number and Medicaid ID number?</p> <p>A52. At the time the organization applies for full certification, yes.</p>