

# Questions and Answers

**Q: I thought the NCMS was unilaterally opposed to corporate managed care. Why are you partnering with a corporate managed care company?**

**A:** We remain opposed to the managed care models of the past because they did not put the patient first or adequately value physician advocacy on behalf of patients; they did not pay physicians on time and were rife with administrative problems. They did not focus on the “Triple Aim” of improving a patient’s experience of care, improving the health of the community served or reducing per capita costs. We believe our partnership with Centene promises a new approach to Medicaid managed care.

Since the North Carolina General Assembly passed Medicaid reform legislation in September 2015, the NCMS has been working diligently to pursue all opportunities to benefit your patients and you under the new law. We launched an exhaustive and methodical search and vetting process for potential partners. We established the following key criteria necessary to a successful patient-centered Medicaid health plan that would fully embrace the move to value:

- financial strength;
- experience with statewide Medicaid networks; and
- willingness to embrace a patient-centered approach.

We believe Centene meets these criteria. We are confident our plan will exemplify a new model of Medicaid managed care, one in which physicians are their patients’ most effective advocates, administrative burdens are minimized and the Triple Aim are central to its mission.

The Carolina Complete Health Network, which will be owned jointly by NCMS, physicians, physician assistants, nurse practitioners and Federally Qualified Health Centers, will provide medical management services for the health plan and will work to help participants successfully take part in the new federal Quality Payment Program under the Medicare Access and CHIP Reauthorization Act (MACRA).

**Q: So, you’ve got this agreement with Centene, what happens now?**

**A:** We will be conducting meetings throughout the state to answer your questions and explain in more detail the opportunities this partnership offers you and your practice, including plan ownership and key leadership roles.

As part of the agreement with Centene, the NCMS will begin work to form Carolina Complete Health Network, which will be owned jointly by NCMS, physicians, physician assistants, nurse practitioners and Federally Qualified Health Centers.

We also are preparing to submit a proposal when the state issues its Request for Proposal (RFP) late in 2017. The contracts will likely be awarded sometime in 2018. The state has authorized three statewide health plans and up to 12 regional provider-led entities (PLE) to offer care to Medicaid beneficiaries in North Carolina. We look forward to making our case for why our plan meets the criteria set by the state and should be awarded one of those contracts.

**Q: What about the current networks and care coordination arrangements already in place?**

The NCMS is committed to making the very most of the established structures built by our primary care community to serve Medicaid patients. Our objective is to make the best use of those existing resources as we build this plan. We hope you will partner with us to accomplish this goal for your patients.

We also should note that we are particularly proud that the NCCHCA is a partner with us in this endeavor. We believe the primary care clinicians and staff at the NC Federally Qualified Health Centers (FQHC) that the NCCHCA represent, will bring valuable experience with the state's Medicaid population to our plan.

**Q: What does this mean for me and my practice?**

**A:** We believe if the state accepts our bid to provide Medicaid services in North Carolina, it will simply give you a unique and highly attractive option when contracting as a Medicaid provider in the state. In our plan physicians will have an integral role in its ownership, governance and clinical policymaking structure. Centene brings its decades of experience in managing statewide Medicaid programs to help address the most challenging issues you face in caring for the Medicaid population as well as its financial wherewithal.

Another advantage will be the assistance the Carolina Complete Health Network may be able to offer your practice in complying with the new federal Quality Payment Program under the Medicare Access and CHIP Reauthorization Act (MACRA).

**Q: In light of the recent election, is the Medicaid reform legislation going to be changed and what does that mean for this plan?**

**A:** While nothing is certain at this point, from initial indications the new federal administration may be more favorably disposed to the state's plans and actually speed up the reform process in North Carolina. Recent talk has focused on giving the states more latitude in managing their Medicaid programs and funding them through block grants.

If the Medicaid program is expanded in North Carolina, we believe this type of health plan would be a cost-effective way to fill the gaps in Medicaid eligibility that have existed for a long time.

**Why didn't you tell the NCMS membership about this plan earlier?**

Once we began serious discussions with Centene, a publicly traded company, we were under a strict non-disclosure agreement that prohibited us from sharing any information.

*NCMS is "testing the waters" under Regulation A under the Securities Act of 1933, as amended, to gauge market demand from potential investors for an offering of securities by its wholly-owned subsidiary (the "issuer") formed in connection with the contemplated joint venture between NCMS and Centene. No money or other consideration is being solicited, and if sent in response, will not be accepted. No offer to buy the securities can be accepted and no part of the purchase price can be received until an offering statement is filed with, and qualified by, the Securities and Exchange Commission. Any such offer may be withdrawn or revoked, without obligation or commitment of any kind, at any time before notice of its acceptance given after the qualification date. A person's indication of interest involves no obligation or commitment of any kind.*

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