Step-by-Step Guide to Using the National Diabetes Prevention Program (National DPP) Coverage Toolkit for Medicaid Managed Care Organizations (MCOs):

How to get started to achieve Medicaid coverage with MCOs

The information in this document, as well as additional information about the National DPP lifestyle change program, is available from https://coveragetoolkit.org/

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The resources found in the steps below provide links to pages on the coveragetoolkit.org where users can find additional information about the topics listed in that specific step. Users of this guide are encouraged to explore the sections of the National DPP Coverage Toolkit (Coverage Toolkit) as they consider the topics listed. For questions about this document or the coveragetoolkit.org website, please contact: coveragetoolkit@chronicdisease.org

Step #1: Gathering Information

About the National DPP Lifestyle Change Program  
https://coveragetoolkit.org/about-national-dpp/

Investing in efforts to slow or prevent the development of type 2 diabetes results in reduced costs and healthier populations. To address the growing problems of prediabetes and type 2 diabetes, CDC has established the National Diabetes Prevention Program (National DPP) lifestyle change program, which is an evidence-based program focused on helping at-risk participants make positive lifestyle changes such as eating healthier, reducing stress, and increasing physical activity.

1 See https://coveragetoolkit.org/ for more information.

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Key National DPP Lifestyle Change Program Facts

Below are some of the key aspects about the National DPP lifestyle change program.

• Designed for eligible people 18 years or older who have prediabetes or are at-risk for type 2 diabetes.
• Year-long program delivered in-person, online, or through a combination approach.
• Includes a minimum of 16 weekly sessions during the first six months and at least six monthly sessions during the second six months.
• Taught by trained lifestyle coaches (health professionals or non-licensed personnel).
• Includes group support (recommended group size ranges between 10 and 25 participants, but online groups may be larger).
• Organizations offering the National DPP Lifestyle Change Program can use a curriculum developed by CDC, develop their own curriculum and submit it to CDC for approval, or receive permission to use another organization’s curriculum.
• Thousands of CDC-recognized organizations deliver the National DPP lifestyle change program across the 50 states and D.C.

Evidence-Based Program

The National DPP lifestyle change program is an evidenced-based program. People with prediabetes who take part in this structured lifestyle change program can cut their risk of developing type 2 diabetes by 58% (71% for people over 60 years old). This is the result of the program helping people lose 5% to 7% of their body weight through healthier eating and 150 minutes of physical activity a week. People who completed a type 2 diabetes prevention lifestyle change program were one-third less likely to develop type 2 diabetes after 10 years. Medicaid-specific studies are ongoing and may surface additional information about cost-effectiveness and health outcomes as they pertain to the National DPP lifestyle change program in Medicaid.

The National DPP lifestyle change program has also been shown to improve general health, physical function, reduce bodily pain, and improve vitality scores on a health survey after three years. Similarly, another study concluded that weight loss because of the National DPP lifestyle change program was associated with improvements in measures of health-related quality of life. Finally, a study of a work place diabetes prevention lifestyle change program found improved metabolic and behavioral risk factors among employees with prediabetes. For more evidence in support of the National DPP lifestyle change program, click here.

Quality metrics are also important to consider. In the health care industry’s drive towards value vs. volume, the importance of quality measures is increasingly vital to success. Quality metrics help ensure that organizational efforts at improving quality and decreasing costs are showing efficacy as determined by the measurement guidance. The American Medical Association (AMA) convened a cross-specialty, multidisciplinary technical expert panel (TEP) in 2018 to identify and define new quality measures for prediabetes. The draft measures proposed by the TEP represent the first measures in the U.S. intended to assist in the prevention of type 2 diabetes. Additionally, other metrics exist that can be used to help ensure that prediabetes screening activities drive participation into programs leading to a decrease in population type 2 diabetes prevalence.
Cost and Value

The program has proven to be cost-effective and can be cost saving, depending on the mode of delivery, the target population, and other factors. When considering coverage of the National DPP lifestyle change program, many public and private payers weigh the economic impacts of covering the program for their employees, clients, or beneficiaries. The impact of the National DPP lifestyle change program on health care costs can vary across populations and program types and can be affected by differences in how medical costs and non-medical costs are interpreted and applied, and by how the benefits of preventing or delaying type 2 diabetes are assessed. A number of studies assessing the economic impact of the National DPP lifestyle change program can be found [here](https://coveragetoolkit.org/about-national-dpp/evidence/).

Covered by Medicaid

The National DPP lifestyle change program is a covered Medicaid benefit in multiple states (a list of states where the National DPP lifestyle change program is a Medicaid covered benefit can be found [here](https://coveragetoolkit.org/medicaid-coverage-for-the-national-dpp-demonstration-project/)). From 2015-2019, Maryland and Oregon participated in a Medicaid Demonstration project to demonstrate how state Medicaid agencies can cover the program through their managed care organizations. More states are considering funding or covering the program for their Medicaid beneficiaries.

Step #2: Make the Case

The Case for Coverage

This [Case for Coverage](https://coveragetoolkit.org/medicaid-agencies/case-for-coverage/) page of the Coverage Toolkit explains how to make the case to cover the National DPP lifestyle change program for Medicaid agencies. It is broken down into five steps:

- **Step 1:** Build Relationships and Maintain Communication between Public Health and Medicaid
- **Step 2:** Gather Data and Create a Budget Projection
- **Step 3:** Assess Medicaid Coverage Options for the National DPP Lifestyle Change Program
- **Step 4:** Engage Leadership and Influence Decision Making – Importance of Communication
- **Step 5:** After Coverage is Achieved: Work with Medicaid to Operationalize and Sustain the Benefit

Approximate Costs

Approximate costs for administering the National DPP lifestyle change program to a participant who completes all 22 sessions of the yearlong program (16 weekly sessions during the first six months and six monthly sessions during the second six months) is $500. This $500 cost may include lifestyle coach training, the lifestyle coach salary, rental of a space for delivering the sessions, marketing and advertising to recruit and enroll participants, and program materials and supplies. This does not include the cost of incentives or additional services such as program supports, childcare, or healthy snacks, which may cost up to an additional $500 per participant. Activities that drive program cost include marketing and recruitment efforts, facility costs, and direct program delivery costs, including staffing.

See [https://coveragetoolkit.org/](https://coveragetoolkit.org/) for more information.
The Cost & Value page explains more about the cost and the value of the program, taking into account that the yearlong National DPP lifestyle change program costs range depending on the delivery program and payment models. For the cost of covering the program specific to your organization, please see the Medicaid Budget Projection Template on the Reimbursement Models for Medicaid Agencies and MCOs page of the Coverage Toolkit to learn more and estimate costs specific to your institution.

Step #3: Make National DPP Lifestyle Change Program Services Medicaid Covered Benefits

Federal Matching Funds  
[https://www.chronicdisease.org/page/Medicaid_NDPP](https://www.chronicdisease.org/page/Medicaid_NDPP)

A goal of the CDC and National Association of Chronic Disease Directors (NACDD) funded Medicaid Demonstration Project was to prepare the way for states to continue and expand coverage of the National DPP lifestyle change program as a Medicaid covered benefit and draw down federal Medicaid matching funds.

Federal Medicaid matching funds can be claimed for both direct service costs as well as administrative costs. Direct service costs are reimbursed by the federal government in a range from 50% to 90%, determined by the state’s Federal Medical Assistance Percentage (FMAP). Administrative costs are generally shared between the federal government and the state at a rate of 50/50, or in some cases at a higher rate of 75/25.

Attain Coverage through a Medicaid State Plan  

To draw down federal Medicaid matching funds, services provided by the National DPP lifestyle change program must be covered in a state’s Medicaid State Plan. A State Plan is a written agreement between a state and the federal government outlining the details of the state’s Medicaid program, including services, reimbursement rates, and who is eligible for coverage. If a state’s current State Plan does not cover the services provided by the National DPP lifestyle change program (such as screening, intensive behavioral counseling, and preventive services) or the health professionals and non-licensed personnel who provide the services as lifestyle coaches, the state will need to seek a State Plan Amendment (SPA).

For more information and examples for National DPP lifestyle change SPA language, click here.

Attain Coverage through Medicaid Managed Care Options  

For states that use Medicaid managed care, there are additional ways to attain coverage of the National DPP lifestyle change program, including:

1. Medicaid Managed Care Performance Improvement Projects (PIPs). These are quality improvement projects developed and conducted by MCOs. Because PIPs can focus on either clinical or nonclinical areas like diabetes prevention, they are a potential vehicle for implementing the National DPP lifestyle change program.

2. Value-Added Services. Some MCOs offer “value-added” or “bonus” services to attract Medicaid enrollees to their plan or improve health outcomes. Value-added services fall outside direct care costs and are paid for by the MCO. Examples are numerous and vary across plans and states, but typically include health education classes, dental and vision programs, and, in some cases, the National DPP lifestyle change program.

See [https://coveragetoolkit.org/](https://coveragetoolkit.org/) for more information.

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3. **1915(b)(3) Waivers.** While it does not appear that any states are currently using 1915(b)(3) waivers to cover the National DPP lifestyle change program, these waivers are used to cover similar “programs” (rather than specific services) and may be a viable coverage mechanism for a state.

4. **Alternative Services Mechanism.** “In lieu of services” are services that can be offered in place of other services under MCO contracts if such alternative services or settings are medically appropriate, cost-effective, and are offered on an optional basis for both the MCO and its members.

For more information, click [here](https://coveragetoolkit.org/).

### Step #4: Build your National DPP Lifestyle Change Program Network

**Know Your Delivery Options**

MCOs covering the National DPP lifestyle change program have several options for administering the National DPP lifestyle change program. These options are not mutually exclusive and include contracting with CDC-recognized organizations that offer the program:

1. **In-person.** Yearlong lifestyle change program delivered 100% in person for all participants by trained lifestyle coaches. In-person National DPP lifestyle change programs are offered by a variety of organizations, including but not limited to hospitals, health plans, YMCAs, diabetes self-management education and support (DSMES) programs, pharmacies, Cooperative Extension Centers, local health departments, community-based organizations, and faith-based organizations. Click [here](https://coveragetoolkit.org/medicaid-mcos/medicaid-mco-delivery/medicaid-mco-delivery-options/) for a list of CDC-recognized organizations in your state.

2. **Online.** Yearlong lifestyle change program delivered 100% online for all participants. Participants interact with lifestyle coaches at various times and by various communication methods, including online classes, emails, phone calls, or texts. Click [here](https://coveragetoolkit.org/medicaid-mcos/medicaid-mco-delivery/medicaid-mco-delivery-options/) for a list of online, or combination in-person/online CDC-recognized organizations in your state.

3. **Distance Learning.** Yearlong lifestyle change program delivered 100% by trained lifestyle coaches via remote classroom or telehealth (i.e., conference call or Skype) where the lifestyle coach is present in one location and participants are calling or video-conferencing in from another location.

4. **Combination.** Yearlong lifestyle change program delivered as a combination of any of the previously defined delivery modes (1-3) above) by trained lifestyle coaches

5. **Contracting with a third-party organization to assist with program delivery.** Third-party organizations are entities that manage networks of CDC-recognized organizations and can provide functions such as claims processing and billing.

6. **Seeking CDC recognition.** MCOs can apply for CDC recognition if they meet CDC’s Diabetes Prevention Recognition Program (DPRP) standards. By becoming CDC-recognized organizations, MCOs may simplify network development and contracting. For more information, click [here](https://coveragetoolkit.org/).

See [https://coveragetoolkit.org/](https://coveragetoolkit.org/) for more information.
Step by Step Guide: Medicaid MCOs
https://coveragetoolkit.org/

**Become Medicaid- Enrolled Providers**

https://coveragetoolkit.org/determine-the-medicaid-enrolled-provider-type/

The 2016 Medicaid managed care rule requires that all MCO contracted providers (i.e., CDC-recognized organizations) enroll with the state as Medicaid providers, even if they do not deliver services to Medicaid fee-for-service beneficiaries. As Medicaid enrolled providers, these organizations will need to comply with Medicaid program integrity rules such as confidentiality, screening, and disclosure standards.

State Medicaid agencies are responsible for determining who will deliver the National DPP lifestyle change program to Medicaid beneficiaries. They can use an existing provider type to deliver the program or they can create a new provider type. It is possible for states to pursue both options at the same time or to pursue one approach first and another approach at a later date.

**Establish Reimbursement Processes**

https://coveragetoolkit.org/medicaid-mco-reimbursement/

https://coveragetoolkit.org/medicaid-mcos/medicaid-mco-contracting/

https://coveragetoolkit.org/coding-billing-for-the-national-dpp/

A reimbursement model (fee-for-service, attendance milestone, performance-based, or a combination approach) and a fee schedule for reimbursing services related to the National DPP lifestyle change program will need to be established. Examples of reimbursement models used in other states can be found on the Reimbursement Models for Medicaid Agencies and MCOs page of the Coverage Toolkit, as well as a description of some of the costs associated with administering the National DPP lifestyle change program.

There are two main types of billing options or models:

1. CDC-recognized organizations can submit claims either directly to the MCOs or to a third-party organization that handles billing processes and/or network management.
2. MCOs can contract with CDC-recognized organizations and establish an invoicing method. Invoices are often sent on a monthly or regular basis. In this scenario, the CDC-recognized organizations invoice the MCO based on the terms defined in the contract.

If the National DPP lifestyle change program is a Medicaid covered benefit, it is likely that a claims billing method will be used. If this is the case, a combination of ICD-10 and CPT codes will be assigned for diagnostic and claims-processing reasons, respectively.

This method requires the MCO to be able to identify the CDC-recognized organization with either a National Provider Identifier (NPI) number or some other means to identify a non-traditional provider. For more information click here.

Most billing methods, even those that have a flat initial fee, incorporate some type of pay-for-performance metric, such as weight loss goals, number of lessons completed, attendance rates, etc. There are some occasions when a lump sum or a per-member-per-month fee will be utilized without incorporating a performance metric. For more information click here.

**Code Claims**

https://coveragetoolkit.org/coding-billing-for-the-national-dpp/

MCOs that intend to use a claims-based system for the program will use specified combination of CPT codes with modifiers, and ICD-10 diagnoses codes. The new National DPP-specific CPT code (0403T) is intended to be used by CDC-recognized organizations that provide the nonclinical National DPP lifestyle change program services.

See https://coveragetoolkit.org/ for more information.

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Establish Mechanisms for Data and Reporting

https://coveragetoolkit.org/data-reporting/

MCOs and CDC-recognized organizations will need to establish procedures to exchange the following data:

- Medicaid eligibility information
- Program enrollee contact information
- CDC-recognized organization encounter data
- Claims data
- Cost data

MCOs will want to ensure that CDC-recognized organizations with which they work have the capacity to meet all statutory and regulatory requirements pertaining to privacy and data security.

Step #5: Engage Program Participants


Identify Eligible Members


MCOs can identify prospective participants for the National DPP lifestyle change program based on participant eligibility criteria. These criteria can be found on the CDC Guide for Working with Medicaid Beneficiaries.

MCOs can leverage electronic health record data and/or medical claims data to proactively identify individuals who are or may be eligible for the program. For example, a state could use ICD-10 codes from claims data to identify individuals who fit the eligibility criteria. The codes are able to flag individuals who:

- Are overweight or obese (e.g., E66.9 or O99.210),
- Have elevated glucose levels (e.g., R73.03), or
- Have a history of gestational diabetes (e.g., Z86.32 or O24.410).

Recruit Members to the Program

https://coveragetoolkit.org/recruitment-referral-for-the-national-dpp-lifestyle-change-program/

MCOs will need to consider appropriate and effective recruiting strategies. Some recruiting strategies may prove more time- and cost-effective than others. For example, efforts to influence a primary care provider to recommend the program to her or his eligible patients may be more cost-effective than sending direct mailings.

Some possible recruiting efforts include:

- Direct mailings / phone calls
- Brochures in clinics or community centers
- Advertisement through local media outlets (posters, radio, community newsletters)
- Community health fairs and wellness events
- Physician referrals

It is important to note that some in-person and online CDC-recognized organizations are willing to engage in member outreach and recruitment on behalf of the MCO.
Step #6: Enroll and Retain Members

An individual is generally considered enrolled in a lifestyle change program when she or he participates in one or more sessions. Other entities have defined a person as enrolled when she or he agrees (in writing and/or verbally) to participate in the program.

Retaining members who have elected to participate is an important program objective. Some organizations conduct a readiness assessment to determine an individual’s commitment to the program before enrollment. Other organizations offer program supports and incentives, such as food scales, gift cards, or wearable fitness trackers, at key program milestones to retain members over time (note: these types of supports and incentives are generally not eligible for federal matching funds). Some organizations indicated that the best way to retain members is having well-trained, personable lifestyle coaches.

In-person and online CDC-recognized organizations maintain attendance logs and weigh-in information. CDC-recognized organizations can aggregate these and additional data being tracked (e.g., BMI, etc.) and provide a regular report (e.g. monthly) to the MCO.

See [https://coveragetoolkit.org/](https://coveragetoolkit.org/) for more information.

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