

## Background

### What are the Healthy Opportunities Pilots?

The Healthy Opportunities Pilots (HOP) is the nation’s first comprehensive program to test and evaluate the impact of providing select [evidence-based, non-medical interventions related to housing, food, transportation and interpersonal safety and toxic stress](#) to high-needs Medicaid enrollees. The federal government has authorized up to \$650 million in federal and state Medicaid funding for HOP to operate in three regions of the state over five years, through October 2024.

Under HOP, Pre-paid Health Plans (PHPs) pay for federally approved, evidence-based HOP services (e.g., healthy food boxes, housing navigation supports). HOP services are delivered by social services providers called Human Service Organizations (HSOs). Each regional network of HSOs is established, managed, and overseen by a Network Lead (NL). HOP services began with a phased launch—first offering food services on March 15, 2022, followed by housing and transportation services on May 1, 2022, and toxic stress and cross-domain services on June 15, 2022. Interpersonal violence (IPV) services began on April 5, 2023.

### What is an Interim Evaluation?

Evaluation is critical to achieving North Carolina’s health goals by examining the program’s impact. In addition, federal funding for HOP is contingent upon the submission of an Interim Evaluation Report to the Centers for Medicare & Medicaid Services (CMS). North Carolina Department of Health and Human Services (NCDHHS) commissioned the Cecil G. Sheps Center for Health Services Research at the University of North Carolina (the Sheps Center) to develop an interim evaluation report summarizing early program findings from program launch through November 30, 2023. This report will provide important information to help NCDHHS guide service delivery and programmatic adjustments in the future.

## Interim Evaluation Report Findings

### What did Researchers Find?

The findings from the Interim Evaluation Report are very promising and support further investment in the HOP initiative and plans to scale-up over time. Specifically, the Interim Evaluation Report highlighted the following findings:

**HOP Services Are Being Delivered Effectively:** North Carolina’s goal of establishing effective multi-sector collaboration between the state, PHPs, healthcare systems, Network Leads and HSOs has been achieved in the three HOP regions. This was a major undertaking and was completed in a compressed timeframe after unavoidable disruption due to the COVID-19 pandemic. HOP infrastructure has successfully enabled delivery of HOP services. As of November 30, 2023, over 13,000 unique individuals have been enrolled in HOP, and nearly 200,000 services have been delivered across several types of interventions by 147 community-based organizations/social services agencies. Food services are the most common service type, representing more than 85% of all services delivered. This is partially explained by food services being the first to be offered.

**HOP Services Are Associated with Improvements in Social Needs:** The independent evaluators found strong evidence that HOP services reduced the total number of social needs that an individual has. Participation in HOP reduced enrollees’ total number of social needs across the housing, food, and transportation domains.

Researchers noted that additional time is required to study the impact of IPV services, given the delay in their launch. Findings suggest that longer participation in HOP was associated with greater reduction in needs.

**Participation in HOP Impacted Health Care Utilization:** Participants were likely to enroll in HOP during a period of rising risk for adverse health care utilization and spending. HOP participation was associated with decreased emergency department utilization (an estimated reduction of 6 emergency department visits per 1000 member-months<sup>1</sup>). HOP participation was also associated with reduced inpatient hospitalizations for non-pregnant adults by 2 admissions per month per 1000 beneficiaries.

**Receipt of HOP Services Lowered Total Cost of Care:** Researchers found lower health care expenditures attributable to HOP participation across several analyses, relative to what would have occurred without HOP participation. Evaluators estimated that service spending (which includes spending for medical care and HOP services), was, on average, \$85 dollars less per HOP participant per month than it would have been in the absence of the HOP program. Longer participation in HOP (e.g., 12 months rather than 6 months) was associated with greater reductions in direct service spending.

### What are the Researcher's Recommendations?

Based on the Interim Evaluation findings, researchers have outlined four key recommendations:

1. Maintain Efforts to Screen, Enroll, and Deliver Healthy Opportunities Pilots Services to Medicaid Beneficiaries. Screening, enrollment and delivery of services is substantially greater than it was at the point of earlier program evaluation results. Maintaining these efforts is likely beneficial for both Medicaid beneficiaries and the purposes of evaluation.
2. Do Not Limit Service Duration. For most areas where HOP services appear to be improving outcomes (e.g., health-related social needs, adverse healthcare utilization, and healthcare spending), researchers found that longer periods of time after Pilot enrollment were expected to result in better outcomes.
3. Understand the Relationship between Pilot Services and Social Needs. The key focus of HOP is to address health-related social needs to improve health. Though resolution of a need (defined as no longer reporting a need once previously reported) is likely to be beneficial, it is also important to recognize that needs could get worse in the absence of HOP, and thus services may be beneficial even if individuals continue to report a need. Ongoing assessment of whether HOP services are 'addressing' needs should attend to the nuance of the situation HOP participants experience.
4. Expand Pilot Services to Other Regions of North Carolina. Although this is only an interim evaluation, there are clear signals that key features of the Healthy Opportunities Pilots are working as intended. Offering HOP services in additional parts of the state, assuming similar operating conditions can be established, is well-supported by the available data.

## Conclusion

### What's Next for HOP?

The state is currently seeking [federal approval](#) to renew, extend and make key changes to HOP for another five-year period. These new changes include extending HOP to operate statewide and expanding eligibility criteria and service offerings allowing North Carolina to build on HOP lessons learned and successes to date. Findings from the HOP Interim Evaluation Report will be essential for paving the road ahead.

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<sup>1</sup> Member month are calculated by multiplying the total number of individuals enrolled in HOP by the number of months they participated. One individual who participates in HOP for 12 months accounts for 12 member months.