
Medicaid Advisory Board
Meeting Minutes
January 28, 2010

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PRESENT

Board: Christina Colombe (Member), Kristi Kistler (DHMC), Edna Fairbanks-Williams (Member), Julie Tessler (VCDMH), Sarah Littlefeather (Member), Trinkia Kerr (HCO), Larry Goetschius (VAHHA), Kay Van Woert (VFN), Anita Hoy (COVE), Michael Sirotkin (COVE), Michelle Scanlon (BSPCA), Jackie Majoros (SLTC), Sharon Henault (Member), Lisa Maynes (Member) and Dale Hackett (Member).

Other Interested Parties: Chong Tieng (CMS), Jennifer Fredette (MAXIMUS), Ron Ferrara (VPA/VCA), Cherie Bergeron (EDS-HP), Barbara Beaty (EDS-HP) and Teresa Wood (APS).

Staff: Susan Besio (OVHA), Lori Collins (OVHA), Clark Eaton (OVHA), Robert Larkin (OVHA), Stacey Baker (OVHA), Lorraine Siciliano (OVHA) and Deb Stempel (OVHA).

HANDOUTS

- Agenda
- December 17, 2009 Meeting Minutes
- OVHA SFY '11 Budget Document
- OVHA SFY '10 Budget Adjustment

CONVENE

Kay Van Woert chaired the meeting.

Approval of Meeting Minutes

The December 17, 2009 meeting minutes were submitted for approval. The minutes were approved unanimously by the board.

Director's Update – Susan Besio

Susan Besio, Director of the Office of Vermont Health Access (OVHA), presented highlights of OVHA's State Fiscal Year (SFY) 2010 Budget Adjustment.

- \$2.8 million increase in OVHA's Administration expenditures.
 - The Health Information Technology (HIT) fund was moved to OVHA during the year. In the past, this was administered by the Department of Information and Innovation (DII). OVHA has taken on this responsibility, but the operating funds for HIT were never properly transferred. The \$2.8 million increase also covers HIT Strategic Planning. This request is for expenditure authority only; none of this requires new state general funds.
- Program costs were only up \$548,000. Although there was a \$25.7 million increase to cover additional caseloads, there was a significant offset in utilization impact – more than \$39 million in savings were achieved due to pharmacy rebate billing actions and adjustments. Other noteworthy increases included a \$2.3 million increase in Medicare buy-in rates and a \$12 million increase for a 53rd week of claims payment.

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Susan gave a content overview of OVHA's SFY '11 budget document and then reviewed the budget in more detail, discussing/explaining key areas.

- Page 9: Personal Services and Operating. The total increase in personal services costs is \$800,000, while there is a decrease of \$50,000 in Operating. This includes the addition of 5 new staff to accomplish programmatic savings.
- Page 10: Grants and Contracts. Replacing MMIS (Claims Processing) requires \$11.5 million for work this year at a 90/10 match rate. This will require an actual State expenditure of \$1.12 million. The ACCESS Eligibility Determination System also is grossly outdated. That system upgrade will coincide with the new MMIS; both are projected for completion by late 2012 or early 2013.
- Page 11: Movement of HIT Management to OVHA - an additional \$2.9 million. There is also an increase of \$120,000 for reports from the new multi-payer database managed by BISHCA.
- Page 12: Caseload and Utilization. \$76 million increase to handle caseload increases, including 12% increase in ABD adults, 16% increase in general adults, 23% projected increase in VHAP numbers, and a \$10.7 million increase in utilization.
- Page 21: Clawback Rates. This is for payment to the Federal Government for the Medicaid State Share for those who would have been eligible for Medicare Part D. It is \$1.3 million more than OVHA's usual payment. These are all General Fund dollars.
- Page 23: Policy Initiatives.
 - PT/OT/ST will be restricted to 30 total visits for adults. NH, MA, WI and WA all impose the same restrictions within their programs as well as private insurance carriers within VT. However, this does not include Home Health or Hospitals. Many board members expressed concern over this policy.
 - Prior Authorization for Selected Radiology and High-Tech imaging.
 - Drug test lab reimbursement rates.
 - Proposal to reduce the number of drug tests to 8 per month.
 - Eligibility Determination Quality Control.
 - AWP Pricing.
 - ESI Employer Assistance Program for traditional Medicaid eligibles
 - Limit of 12 ER services per year.
 - Program Integrity to add three staff members.
 - Hire an additional staff member for enhanced Transportation Quality Control.

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- Tighten Eligibility for Children's Personal Care Services.
- Reduce FQHC reimbursement rate by 1.3%.
- Adult Dental Cap decrease (from \$495 to \$200 annually). Also assumes a 10% increase in use of General Assistance (GA) vouchers.
- Catamount Program: BCBS and MVP offer this. Rates increased on January 1, 2010 and there will be another increase in April. Currently projecting a \$7.7 million deficit for the premium assistance program for next year. An increase in deductibles from \$250 to \$1,200, office visit co-pays (currently \$10, will increase to \$25) and pharmacy co-pays should produce an additional \$3.8 million and make this program sustainable.
- Revenue Implications
 - Premium Increases for VHAP, Dr.Dynasaur, SCHIP and Pharmacy Only Modest increase to higher level income beneficiaries totaling \$1.7 million.
 - 5.5% Hospital Tax will remain the same. Data shows that hospital revenues are up. This will provide an additional \$7.3 million.

Susan also discussed the proposal to make the OVHA a department within state government. Currently, the OVHA is categorized as an office. This proposed change could have significant impact on what and how much OVHA can accomplish in the future.

Susan made note of concerns expressed by MAB members, including an example of possible issues with limiting OT/PT/SLP presented by Sharon Henault and errors in eligibility determination reported to Health Care Ombudsman Trinkia Kerr.

MAB Membership – Next Steps

The MAB agreed that another longer (2 ½ hour) meeting should be scheduled for February starting at 9:30 AM. To allow for adequate discussion time, the agenda will be limited principally to budget briefings by DAIL and DCF.

MAB Request Topics/Data

- DAIL, DCF, VDH and DMH Budget Updates
- Health Care Reform Update
- TIGER Team Update
- Update on Dual Eligible Study
- Update on Bridges Program
- Evaluation of Chronic Care Initiatives
- MMIS Update
- Information on PMPM net of premiums, particularly for Dr. Dynasaur and Pharmacy programs

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Next Meeting

February 25, 2010

Time: 9:30AM – 12:00PM

Location: Capitol Plaza Hotel, Montpelier, VT