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**Medicaid Advisory Board**  
**Meeting Minutes**  
April 26, 2012

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**PRESENT**

**Board:** Christina Colombe (Member), Kay Van Woert (VFN), Corey Armstrong (DHMC), Jackie Majoros (LTC Ombudsman), Nathaniel Waite (VDH), Mark Kaufman (VCIL/VCDR), Larry Goetschius (VAHHA), Hilde Hyde (Member), Sheila Reed (VVC), Michael Sirotkin (COVE), Sharon Henault (Member), Trinkia Kerr (HCO), Julie Tessler (VCDMH), Laura Pelosi (VHCA) and Dale Hackett (Member).

**Other Interested Parties:** Camille George (DAIL), Sonia Tagliento (MAXIMUS), Lisa Schilling (HP), Christine Stone (HP), Theo Kennedy (O&K, LLC), Cheri L'Esperance (Wm Shouldice & Associates) and Heather Caldwell, Xerox State Healthcare.

**Staff:** Lori Collins, (DVHA), Lindsey Tucker (DVHA), Kevin Veller (DVHA), Erick Carrera (DVHA), Stacey Baker (DVHA) and Clark Eaton (DVHA).

**HANDOUTS**

- Agenda
- March 22, 2012 Meeting Minutes
- MAB Legislative Letter – Dental Benefits for Pregnant/Post Partum Women (4/4/12)
- MAB Memo – Considerations for the Exchange Advisory Board (4/20/12)
- Vermont's Draft Dual Eligible Project Proposal (3/30/12)
- VT Health Care Eligibility Notice (Proposed language) (4/17/12)

**CONVENE**

Kay Van Woert chaired the meeting.

**Approval of Meeting Minutes**

The March 22, 2012 meeting minutes were submitted for approval and were approved unanimously.

**DCF SFY '13 Budget Update – Commissioner Dave Yacovone**

The Commissioner of the Department for Children and Families (DCF), Dave Yacovone, provided highlights of DCF's SFY '13 budget and the focus on taking care of Vermont's most vulnerable populations.

The DCF budget added an additional \$3 million (an 8% increase) for the childcare Step Ahead Recognition System (STARS) program. Under this rating system, the higher the STAR rating for a recognized childcare facility, the higher the state subsidy for that program site. The increase included a plus-up of \$1 million to cover overall increased caseloads. For childcare, the emphasis remains on access, affordability and adequacy.

The budget allows for the addition of 27 social workers within DCF to assist with children in state custody, and there has also been a 3.9% budget increase for foster care needs. To help build permanency, the state has invested in approximately 1700

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subsidized adoptions; some of these are failing and an additional \$200,000 will be used to address underlying problems in subsidized adoptions and hopefully reverse this trend.

The Commissioner noted that from DCF's \$340 million budget, approximately \$240 million is granted or contracted out to community partners throughout the state. He was also pleased that DCF was able to add \$6 million into the state's Fuel Assistance Program during a very tough year with less federal assistance.

Board members asked a number of questions, including a request to determine the number/percentage of children in custody with a diagnosed disability. Also, members felt that the state needed better transition planning mechanisms for foster teens going out on their own. Teens need to be part of their own transition planning and have a sense of 'buy-in' to the plan.

**DVHA/Dual Eligibles Project Update – Lori Collins**

Lori Collins, DVHA Deputy Commissioner, first provided a brief SFY '13 budget update. The state's budget bill is working its way through the Legislature and there are two key DVHA budget items to report: 1) the proposed Medicaid \$3 co-pays for pharmacy have been eliminated, and 2) the adult dental cap has been lifted for pregnant and post partum women. This last initiative was introduced mid-session this year and had been supported by the MAB.

Lori also presented a brief update/timeline on the Dual Eligibles (Medicaid and Medicare) project that AHS and DVHA are undertaking and the project and proposal development that is currently in progress. Through combined resources, the core goals will be to integrate care, improve outcomes, and reduce costs for dual eligible individuals. The challenge is to continue to serve everyone comprehensively and efficiently and, at the same time, guarantee savings that would be applied back to both the Medicaid and Medicare programs.

A final project proposal will be due to CMS on May 10, 2012. The draft project proposal was posted for in-state public comment on March 30, 2012 and public comments are due on April 30, 2012. DVHA provided MAB members with a link to this proposal and also information on future Dual Eligibles project stakeholder meeting activity.

The MAB is generally supportive of the intent of the Dual Eligibles demonstration project, but did express the following concerns and wanted to get these concerns to the project policymakers in a timely manner for consideration:

1) (Sharon Henault) Changes as a result of this project should not exacerbate surviving spouse risk in losing his/her home. (Lori Collins and members remarked this is related to the state's recovery process when there are claims against estates, and should not be impacted by the Duals Project.)

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- 2) (Julie Tessler) There seems to be a focus on a single point-of-contact. However, this concept is mostly centered in the medical realm. Measures need to be considered to be sure there is a connection to broader mental health care concerns. Members agreed the point of contact needs to be appropriate for a consumer's needs and trusted by the consumer.
- 3) (Dale Hackett) The terminology/definition of the concept of "medically necessary" needs to be looked at and expanded. Under person-centered plans, better outcomes will require an expanded definition of "medically necessary."
- 4) (Larry Goetschius) Home health agencies are appreciative of an approach to align outcomes with payments. But there will likely need to be several Integrated Service Providers (ISP) (e.g. medical, mental health) in any given service area. Capitated reimbursement to providers is financially risky to providers when spread over a smaller population and smaller service area.
- 5) (Larry Goetschius) There must be a realistic and comprehensive way to identify and capture cost savings off the top. If a community produces significant savings, money needs to come back into that community, reflecting the savings.
- 6) (Kay Van Woert) Is there a way to use capitated payment from the feds but not necessarily rely on capitated payments to local providers? Or at least provide some pools for sharing risk? Medical necessity is medical necessity, not medical necessity within a dollar amount. It's hard for providers to absorb risk over a smaller population, and that can lead to consumers getting shortchanged on benefits they should be receiving as well as variation in benefits available depending on where a consumer lives.
- 7) (Laura Pelosi) The project proposal has not yet considered increased costs and additional requirements for providers. By adding the Duals Project, many providers including nursing homes will be operating under three sets of payment systems. Is there a suggestion/plan to mitigate this concern?
- 8) (Christina Colombe) Will participants work under a Medicare Part D Pharmaceutical formulary or a Medicaid formulary? Making a decision about whether to stay with the current system or the new one for Duals may be difficult for people with significant Rx challenges. The Medicare Rx benefits a consumer knows may be easier to stick with than experimenting with either the Medicaid (which changes constantly) or a new combined formulary. It would be better for consumer decision making to have the formulary be consistent throughout the year.
- 9) (Sharon Henault) As the project plans are drawn up, all aspects of the proposal need to be looked at through the eyes of the disabled and independent living needs. These advantage points must be considered and included.

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The above MAB concerns on the Dual Eligibles project will be forwarded to policymakers by the March 30, 2012 deadline when public comments are also due.

**Medicaid and Exchange Advisory Committee (MEAC) – Lindsey Tucker**

Lindsey Tucker, Deputy Commissioner, Health Benefit Exchange, Department of Vermont Health Access (DVHA), first formally introduced Erick Carrera, who has just joined DVHA as an attorney; he is the first new hire for the Exchange Division. There were two other announcements: 1) there are a series of Health Care Reform listening sessions coming up concerning the benefits to be included in the future design of Green Mountain Care. Everyone is encouraged to participate; Clark Eaton will send out the schedule and information, 2) all are encouraged to go to the DVHA website and review results of the recent benchmark survey that reflects Vermonters' awareness and feelings on the new Exchange. More outreach will be necessary to better educate Vermonters on the Exchange and the future of the state's health care reform.

Lindsey also addressed the memo that the board sent to Commissioner Larson outlining considerations for the new Exchange Advisory Board. Because there are limited board slots under the current statute, there would be openness to considering well focused subgroups to improve the board's effectiveness in key areas. Board members provided other suggestions for the future board: 1) have at least one consumer member that has a very strong independent living background, 2) have a consumer subgroup that is paid to come in and do meaningful work (including one subgroup member who is on the main board), and 3) specify ways to ensure that Medicaid specific topics are not diluted as part of the expanded board format.

There will be more discussion on the new board makeup at the May MAB meeting.

**Nursing Home Rate Setting Change – Kathleen Denette/Patricia Elias**

Kathleen Denette, Director of the Division of Rate Setting, introduced and explained a relatively small change in the nursing home rate setting criteria. In simple terms, nursing homes have had a quality incentive program in place – the “Gold Star Program” that provided monetary awards annually for meeting certain quality rating criteria. That program is being replaced by a new “Advancing Excellence” program that does an even better job of selecting goals and tracking progress. This new monetary incentive program was developed in conjunction with the Vermont Health Care Association; Laura Pelosi concurred that this was a more comprehensive and effective program, with better performance tracking capabilities.

**Eligibility: Health Care: Notice of Decision Project Briefing – Stephanie Beck and Michele Betit**

Stephanie Beck, Policy Director, DVHA, and Michele Betit, Health Care Director, Economic Services Division of DCF, had briefed the board in March and gave the MAB some additional information on both near and longer term improvement projects for

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eligibility Notices of Decisions (NOD's). Stephanie thanked board members who participated in an earlier review for proposed language changes to the draft Vermont Health Care Eligibility Notice (provided as a handout). Using the handout, the proposed new language was reviewed by the meeting attendees.

Two straight forward NOD improvements on co-pays and covered services are going to be addressed for implementation on July 1, 2012. There were other suggestions that can be addressed over the longer term.

**MAB Discussion – MAB Members**

The Chair reiterated that MAB input from today's meeting for the Dual Eligibles Project proposal will be consolidated and forwarded to key state policymakers to meet the same in-state deadline that has been set for public comment on the Duals Eligibles Project proposal (4/30/12). MAB input will also be included in the April 26<sup>th</sup> meeting minutes.

**Public Comment**

Theo Kennedy (Otis & Kennedy, LLC) expressed the concern that when the new Medicaid & Exchange Advisory Committee stands up in July, there needs to be a mechanism in place to ensure that outside voices are able to be heard.

**Priority Areas of Interest for MAB Near-Term Discussion and Work**

- Vermont Health Care Reform/Exchange Board/MAB role (and how to connect disability perspective)
- Issues with current public programs:
  - o EPSDT (MAB workgroup)
  - o Dual Eligibles
  - o DUR/Rx
  - o Transportation
  - o Supplies/DME
  - o Limitations on adult OT PT
- Long Term Care (e.g. home access, case management, reinvestment of nursing home savings in community based services)

**Ongoing Areas of Interest --Updates from DVHA as Timing is Appropriate**

- Federal Health Care Reform Updates
- Chronic Care Initiative/Blueprint
- Update on Provider Tax Strategy and RFP
- Workgroup on Process Improvements (date for follow-on?)
- Loss of PCP/PCP continuity following break in benefit-DVHA to report back
- Dual Eligible Initiative
- Voc Rehab
- Integrated Family Services
- Bridge Program

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- Autism Insurance
- Medicaid Home Health Initiative
- MMIS
- DCF updates throughout the year on federal changes that impact state programs, as they occur or are anticipated

**MAB Requested Data/Information**

- ADA Compliance process for AHS
- Evaluation of cost of 12 month continuous eligibility for children
- Per member per month program cost data net of premiums for the program
- The number/percentage of children in custody with a diagnosed disability

**Next Meetings**

**May 24, 2012**  
**Time: 10:00AM – 12:00PM**  
**Site: DVHA, Williston, VT**

**June 28, 2012**  
**Time: 10:00 – 12:00PM**  
**Site: DVHA, Williston, VT**

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