
Medicaid Advisory Board
Meeting Minutes
October 22, 2009

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PRESENT

Board: Christina Colombe (Member), Kristi Kistler (DHMC), Edna Fairbanks-Williams (Member), Paul Harrington (VMS), Kay Van Woert (VFN), Anita Hoy (COVE), Michael Sirotkin (COVE), Sheila Reed (VVC), Lila Richardson (HCO), Julie Tessler (VCDMH), Laura Pelosi (VHCA), Larry Goetschius (VAHHA), Sharon Henault (Member), Michelle Scanlon (BSPCA), Peter Taylor (VSDS), Lisa Maynes (Member) and Dale Hackett (Member).

Other Interested Parties: Kim LaFrance (DCF), Cherie Bergeron (EDS) and Jennifer Fredette (MAXIMUS).

Staff: Susan Besio (OVHA), Lori Collins (OVHA), Mary Andes (OVHA), Clark Eaton (OVHA), Robert Larkin (OVHA) and Stacey Baker (OVHA).

HANDOUTS

- Agenda
- September 24, 2009 Meeting Minutes
- MAB Legislative Letter (February 2, 2009)
- Ongoing & New Premium Case Timelines
- DAIL Trend Data

CONVENE

Kay Van Woert chaired the meeting.

Approval of Meeting Minutes

The September 24, 2009 meeting minutes were submitted for approval. The minutes were approved unanimously by the board.

OVHA Director's Update – Susan Besio

Susan Besio, Director of the Office of Vermont Health Access (OVHA), addressed the State Fiscal Year (SFY) 2011 budget. The OVHA's initial target will be an 8% decrease, and caseload increases have not been factored into this percentage. Many factors will come into play and the target could change, but it will represent a significant decrease. Most of everything we do will be dollar-tagged and put on a list for evaluation; it will be an intense few months for budget development.

Discussion moved to national health care reform, including ongoing support activity. Because Vermont is a leader in health care reform and one of the innovator states, there is concern that future legislation will not be fair to us and other innovator states. Specifically, the Senate Finance Committee Bill would leave out innovator states like Vermont and Massachusetts from receiving enhanced FMAP funding for covering people not currently enrolled and would be required to maintain existing coverage from now until 2013 when the new reforms go into effect. Vermont, with other lead states, is trying to propose two new changes to the Senate Finance Committee Bill: 1) maintenance of effort language that would grant a 3% Federal Medical Assistance Percentage (FMAP)

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increase over the next three years for innovator states, and 2) a provision that would correctly define and provide enhanced FMAP for states facing new eligibles that are yet to enroll. The OVHA should have a better idea of the shape of federal health care reform by the end of the year. Updates and information on health care reform will be forwarded to interested MAB members as they come available.

Currently, the OVHA is still waiting to hear from the Centers for Medicare & Medicaid Services (CMS) regarding its pending Global Commitment waiver amendment, and has submitted a letter to CMS indicating that we will be requesting a three year extension to the GC Waiver beginning October 1, 2010.

Additionally, Susan announced that OVHA's new Medical Director, Dr. Michael Farber, has now started in his new position; unfortunately, he was ill and not available for the meeting. The OVHA's new Data Analysis & Reimbursement Director, Mary Andes, was introduced and in attendance for the meeting. As part of its reorganization and efficiency improvement effort, the OVHA is also in the process of consolidating into two buildings from three. Large conference room space will shift across the street to 289 Hurricane Lane near the end of the year; the board will be notified when a solid date for this changeover occurs. Susan also addressed the recently created Health Care Cabinet for Vermont that she will co-chair with Heidi Tringe, Secretary of Civil & Military Affairs. The cabinet was created to allow dialogue to expand across all state agencies and focus on the topics of state and national health care reform. The OVHA will forward the Executive Order creating the cabinet, along with a recent press release.

DAIL Trend Data – Brendan Hogan

Brendan Hogan, Deputy Commissioner of the Department for Disabilities, Aging & Independent Living (DAIL), provided a handout that updated trend information regarding DAIL's Choices for Care (CFC) waiver. The CFC waiver includes a five year budget neutrality cap (ceiling) that the Department negotiated with CMS. The neutrality cap is based on the projections from past costs and trends, with a 7.28% trend rate annual increase during the five year waiver period. Mr. Hogan explained that the Federal "cap" is different (higher) than the state's General Fund Appropriation and therefore, actual expenditures have not approached the federal cap. DAIL never assumes there will be sufficient enough General Funds appropriated to reach the federal cap.

Like the OVHA, DAIL is also going through numerous SFY '11 budget exercises to better prepare for an anticipated reduced budget environment. DAIL is also continuing to work on its extension application for the CFC waiver.

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Premium Grace Period – Kim LaFrance

Kim LaFrance, Benefit Programs Administrator at the Economic Services Division, discussed the grace period within the premium notice process that was a topic of concern from an earlier MAB meeting. Two timelines were provided (one for ongoing premium cases and another for new premium cases) illustrating the processing of premiums and what in fact happens at certain dates within the coverage timelines. For ongoing premium cases, a 15+ day payment period and 15 day grace period are already in place – if payment is received within this 30+ day period, there will be continued coverage.

The possibility of extending the grace period by a few days was discussed. There are cases where beneficiaries going to the pharmacy on the 1st of the month discover that their coverage has ended. Their coverage may have lapsed on the 30/31st of the month; they had paid their premium the next day (on the 1st day of the month), but there was lag time in getting coverage reinstated.

The board will schedule a small group meeting for follow-on discussion on this topic.

SFY '11 Budget Priorities – MAB Membership

A budget process pre-meeting was held just prior to the October 22nd MAB meeting. Kay Van Woert summarized the budget process meeting for the full board. Last year's MAB input letter to the legislature (dated February 2, 2009) was provided to everyone for reference. The budget meeting group noted areas of ongoing concern:

- Inappropriate gaps in adult dental and vision programs
- Reimbursement approaches
- Appropriate level of delegation for decision making to designated agencies in community based programs.
- Priority setting
 - Targeting/taking care of the lowest income groups/most vulnerable groups
 - Make cost sharing work for priority groups
 - Capturing the cost shifts and their impact on other portions of the budget

A voluntary follow-on Budget Process meeting has been scheduled for November 19, 2009 at 9:00 AM at the OVHA in Williston so that MAB inputs/considerations will be available for the OVHA during the SFY '11 budget development time-frame. The start time for the regularly scheduled MAB meeting on November 19th in Williston has been adjusted to 11:00 AM. The regular MAB meeting should run to no later than 12:30 PM.

MAB Request Topics

- Budget Update
- Send Updates on Health Care Reform Activity

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- MAB Budget Priorities Follow-On Meeting
- Additional trend data from DAIL (Brendan Hogan)
- Update on Dual Eligible Study

Next Meeting

November 19, 2009

Time: 11:00AM – 12:30PM

Location: Williston, VT