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**Medicaid Advisory Board**  
**Meeting Minutes**  
November 19, 2009

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**PRESENT**

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

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

**Staff:** Susan Besio (OVHA), Lori Collins (OVHA), Dr. Michael Farber (OVHA), Carrie Hathaway (OVHA), Christine Shepard (OVHA), Clark Eaton (OVHA), Robert Larkin (OVHA) and Stacey Baker (OVHA).

**HANDOUTS**

- Agenda
- October 22, 2009 Meeting Minutes
- Five State Cost of Service Comparison
- Mandatory vs. Optional Services/Populations Chart
- MCO Investment List
- DCF Rule Changes Bulletin No. 010-02P
- Representative Maier Memo, 2-23-09

**CONVENE**

Kay Van Woert chaired the meeting.

**Approval of Meeting Minutes**

The October 22, 2009 meeting minutes were submitted for approval. The minutes were approved unanimously by the board.

**Recap of Pre-MAB Meeting Budget Discussion**

A voluntary group of MAB members met prior to the MAB meeting to discuss budget process and possible priorities as the Office of Vermont Health Access (OVHA) moves forward with the development of budget recommendations for the SFY '11 budget. Kay Van Woert summarized the processes covered, including a review of the list of Medicaid covered services, a comparison of costs of services and a line-by-line look at the Managed Care Organization (MCO) Investments list. Because of the pending large budget gap, the OVHA will be looking at all optional services and the MAB may want to consider making recommendations on core populations and/or optional populations. The meeting group noted that Dental and Vision programs for Vermont were weak compared to what other states do.

**OVHA Director's Update – Susan Besio**

Susan Besio, Director of the OVHA, addressed the State Fiscal Year (SFY) 2011 budget. There is still much speculation about the 2011 budget. The State faces a deficit ranging

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anywhere between \$88 - \$130 million; because Medicaid is a primary driver of costs in the state, the OVHA will be looked at as a source to help solve a substantial part of the deficit.

Special “TIGER teams” were formed across state government in mid 2009 to provide an external look at ways to save and implement efficiencies. There was a TIGER team at the OVHA, initially drawing comparisons between VT and NH Medicaid programs. The OVHA has expanded that study to include other states and will focus on data matching activities that could produce savings and also look at cases of fraud, waste and abuse. Susan responded to Lila Richardson’s suggestion to possibly cut costs by bringing the MAXIMUS member services contract in-house. A recent review shows that this option simply would not be cost effective and would require far more resources than OVHA has at its disposal.

Dr. Michael Farber, OVHA’s new Medical Director was introduced and provided the board with a brief overview of his background and credentials.

Susan noted that a current list of budget adjustments has been forwarded to the Agency of Administration. OVHA is still waiting for feedback regarding the list of proposed adjustments. Budget adjustment testimony begins on December 15. In closing, Susan re-emphasized the SFY ‘11 budget reduction target of 8%, as well as a possible 20% reduction coming from Global Commitment dollars. The harsh reality regarding the Medicaid program for SFY ‘11 is clear; there will not be any program expansion and there will be cuts.

**SFY ‘11 Budget Priorities – MAB Membership**

The board discussed the handout covering Medicaid’s mandatory populations and services, along with optional populations and services. There were no suggestions to reduce optional services and there needs to be further discussion on optional eligibility groups. The MAB did agree to oppose any reduction in dental services at this time. There can be further discussion of broad principles in December and members can still e-mail any specific budget recommendations directly to the OVHA.

**Proposed Rule Changes to Medicaid (B010-02P) – Steve Sease**

Steve Sease, Policy Analyst for the Economic Services Division, explained to the Board that, following the September 2009 MAB meeting, cautionary language has been added to Bulletin #010-028. At the September presentation of the rule change, Mr. Sease was unaware that the Joint Fiscal Committee (JFC) had voted at an August 18, 2009 meeting to rescind funding from two portions of Act 61 of FY10. The JFC had voted down the options to provide funding for:

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- Including depreciation as a business expense when calculating income eligibility for self-employed people seeking VHAP or Catamount Health premium assistance.
- The elimination of the 12 month lock-out period for self-employed individuals who lose their health care coverage because they lost their business.

Due to the actions of the JFC, the rule was withdrawn temporarily. The Agency is now moving forward with the rule with added cautionary language. The rule implementation date has been pushed back so that Economic Services will have proper time to react if the General Assembly accepts the recommendations of the JFC.

**MAB Request Topics**

- Budget Adjustment Update
- Budget Update
- DAIL Budget Update
- Health Care Reform Update
- Additional trend data from DAIL (Brendan Hogan)
- TIGER Team Update
- Update on Dual Eligible Study

**Next Meeting**

**December 17, 2009**

**Time:10:00AM – 12:00PM**

**Location: Williston, VT**