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**Medicaid Advisory Board**  
**Meeting Minutes**  
February 24, 2011

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Page 1

**PRESENT**

**Board:** Christina Colombe (Member), Lila Richardson (HCO), Hilde Hyde (Member), Peter Taylor (VSDS), Kay Van Woert (VFN), Sharon Henault (Member) Denis Barton (BSPCA), Nathaniel Waite (VDH), Sheila Reed (VVC), Larry Goetschius (VAHHA), Dale Hackett (Member) and Kristi Kistler (DHMC).

**Other Interested Parties:** Jennifer Fredette (MAXIMUS) and Spring Shover (HP).

**Staff:** Susan Besio (DVHA), Lori Collins (DVHA), Stacey Baker (DVHA), Peter McNichol (DVHA) and Clark Eaton (DVHA).

**HANDOUTS**

- Agenda
- January 27, 2011 Meeting Minutes
- DVHA Provider Assessment Overview (2/11)
- Legislative Memo ( SFY '12 Budget Proposal Q&A's) – 2/23/11
- Health Care Program Coverage Grid – Optional Services (2/18/11)
- DDAIL Budget Testimony (2/11)
- DCF SFY '12 Budget -- Ups & Downs

**CONVENE**

Kay Van Woert chaired the meeting.

**Approval of Meeting Minutes**

The January 27, 2011 meeting minutes were submitted for approval and were approved unanimously by the board.

**Commissioner's Update – Susan Besio**

The Commissioner of the Department of Vermont Health Access (DVHA), Susan Besio, provided a new (Feb. 23) memorandum, in question and answer format, that was prepared for Legislative Committees that expands on DVHA's SFY '12 budget proposal. Susan also provided additional handouts to the board that supplement budget book information they received in late January: 1) a Health Care Program coverage grid for Optional Services, 2) an update on the Dental Dozen Program initiated in 2007, and 3) an update to the Provider Assessment Overview that was included in the budget book.

Susan proceeded to discuss the key elements/issues of the SFY '12 budget proposal. Vermont's VHAP program remains essentially the same, but VHAP Expanded will be introduced (eligibility up to 300% of FPL) to replace coverage for those currently on the Catamount Health program. For beneficiaries, this generally will provide the same benefit. DVHA will be able to achieve savings because administrative costs will be much less by not going through BCBS or MVP. Also, DVHA already has its own claims processing and pays at the lower Medicaid rate. There would be lower provider reimbursement rates for this relatively small population (approx. 12,000), but other alternatives being considered were much worse. Susan tried to put the budget proposal in

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**Medicaid Advisory Board**  
**Meeting Minutes**  
February 24, 2011

---

Page 2

perspective -- considering that the state is trying to make up an overall \$170 million deficit, it is important to keep in mind that DVHA was able to construct a budget that, essentially, is not eliminating anything and will only result in reduced provider rates for services provided to about 12,000 enrollees.

Kay Van Woert stressed that there is now much budget discussion going on in the legislature that may or may not end up having consequences for specific provider groups. Once budget decisions are finalized, the MAB needs to have a larger discussion (maybe over the summer) on how everything fits in moving forward as part of Vermont's approach toward creating a single payer system.

Using the updated Provider Assessment Overview handout, Susan went on to cover proposed changes to provider taxes that are part of the state's SFY '12 proposed budget deficit solution. For example, changes in assessment methodology for hospitals would yield an increase of \$17.4 million in generated revenue for SFY '12. This would be accomplished by factoring in three changes: 1) normal revenue growth produced by inflation, 2) adjusting the assessment to reflect the hospitals' most current year of budget information, and 3) adjusting the net patient revenues assessment from 5.5% to 6% effective October 1, 2011. Adjustments were also discussed for other provider groups, including nursing homes, home health and pharmacies. New provider assessments are being proposed for dental services and Managed Care Organizations (MCOs). There also are Medicaid rate increases proposed for all the above provider groups.

**Health Care Reform Board Discussion – MAB Membership**

Kay Van Woert recently was asked to testify before the House Health Committee on the role of a future board, possibly like the MAB, that would be legislatively mandated, broader and cover Health Care/Health Care Reform within Vermont. While giving testimony, Kay made it clear her comments were her personal opinion and had not been vetted with the MAB. She offered to the Health Committee to bring the topic to the MAB for discussion at the February meeting. Kay outlined for MAB the thoughts she had presented in testimony, and each MAB member offered his or her comments. In summary, the group felt MAB is an effective body, largely because of the equal split on the board among consumers, providers and advocates. The face-to-face interactions with these separate groups are critical to the success of the board, along with ongoing effective support from the DVHA Department and its Commissioner. There is a concern that a larger board might find its messages watered down and that voices of consumers could be diluted in a larger, broader-scope setting.

Kay will solicit more inputs from the MAB membership through e-mail and draft a letter from the MAB to weigh in with the House Health Committee as they proceed to develop the concept and process for developing a Health Care Reform Board for the state.

**Medicaid Advisory Board  
Meeting Minutes  
February 24, 2011**

---

Page 3

**DDAIL Budget Discussion – Camille George**

Camille George, Deputy Commissioner of the Department of Disabilities, Aging and Independent Living (DDAIL) presented highlights of DDAIL's SFY '12 Budget proposal and provided a handout that summarized the Department's legislative budget testimony. Camille reviewed the four divisions within DDAIL and noted that many of the interest areas for the MAB lie in the Division of Disability and Aging Services (DDAS) where most the proposed SFY '12 budget reductions come. Savings opportunities also are being realized within the following areas: 1) the Traumatic Brain Injury program (providing more services within the state as opposed to more costly out-of-state care), 2) providing new/different types of services in nursing homes as alternatives to out-of-state placements or hospital settings, such as the unit for people with Huntington's in Bennington; and 3) success in Choices for Care where there has been a steady increase in the number of people choosing to receive their long-term care in "home- and community-based settings" such as enhanced residential and in one's own home.

Under the Choices for Care program, effective 1/28/11, the state began bringing everyone off the high needs waiting list that had been in effect since February, 2008. The Department's financial monitoring of the program indicated that there are sufficient funds to eliminate that waiting list at this time. The moderate needs waiting list remains frozen for now; but DAAIL is now working with providers to update information about people waiting for MNG services and to plan to start bringing applicants off of the waiting list in the spring.

Sharon Henault expressed her concern that the new budget proposal is cutting out the attendant services program and that this will severely impact people with disabilities who don't qualify for Medicaid. In the long run, this will cost the state even more and the policy should be revisited. Camille clarified that the Governor's budget proposal is to freeze new admissions to the Attendant Services Program, not to cut services to people already enrolled and receiving services. The challenge would remain for new applicants in need of attendant services. While developing a trimmer budget, the Department has tried to focus on reductions that would produce the least harm and always remains open to new ideas about how to mitigate the impact of proposed reductions.

Camille stressed that there is additional specific information available on the DDAIL website at [www.dail.vermont.gov](http://www.dail.vermont.gov). She also encouraged board members to contact her with any questions; her e-mail address is [camille.george@ahs.state.vt.us](mailto:camille.george@ahs.state.vt.us).

**DCF Budget Discussion – Dave Yacovone**

Dave Yacovone, Commissioner of the Department for Children and Families (DCF) introduced himself to the board and provided a handout that highlighted the "ups and downs" of the DCF SFY '12 budget proposal.

**Medicaid Advisory Board  
Meeting Minutes  
February 24, 2011**

---

Page 4

On the positive side, and keeping the needs of children and families in the forefront, the Department proposal: 1) generally increases dollars for caseloads, 2) supports the expansion of the child care subsidy program, and 3) increases the state's commitment to find or keep housing for a growing potential homeless population. Available/affordable housing continues to be a significant problem. To continue to fight homelessness, the administration will replace anticipated lost ARRA funds with \$1.7 million in state funds and use well tailored community plans to best allocate these resources.

Dave moved on to cite some of the budget reductions that are part of the budget proposal for DCF: 1) the recoupment of some beneficiary Reach-Up funds that are initially received through federal dollars, 2) the elimination or reduction of some specialty grants, 3) the elimination of coordinator positions at teen/parent centers within state communities, and 4) looking at new savings opportunities (potentially \$1.7 million) within the new Integrated Family Services initiative.

The Commissioner welcomed the opportunity to come back to a future MAB meeting to expand upon DCF programs and also hear suggestions to improve human service delivery systems and create more positive outcomes throughout the state.

**MAB Request Topics/Data**

- Update on Dual Eligible Study
- Update on Bridges Program
- Evaluation of Chronic Care Initiatives
- MMIS Update
- Information on PMPM net of premiums; Dr. Dynasaur and Pharmacy programs
- Blueprint Program & Data Update/Evaluation – Spring
- ADA Compliance Process for AHS
- Modernization/Eligibility
- Policy Review – Limitations on OT/PT for Chronic Conditions (seek legislative changes)
- Recruiting New Consumer Member for MAB
- Update on Medicaid Home Health Initiative
- Vermont's CHIP Participation; CHIPRA Update

**Next Meeting**

**March 24, 2011**

**Time: 9:30AM – 12:00PM**

**Location: Capitol Plaza Hotel, Montpelier, VT**