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**Medicaid Advisory Board**  
**Meeting Minutes**  
January 24, 2008

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**PRESENT**

**Board:** Edna Fairbanks Williams (Consumer), Kristi Kistler (DHMC), Christina Colombe (Consumer), Kay Van Woert (Parent to Parent), Dale Hackett (Consumer), Sheila Reed (VVC), Peter Taylor (VSIDS), Lila Richardson (HCO), Hunt Blair (BSPCA), Sharon Henault (Consumer), Michael Sirotkin (COVE), Larry Goetschius (VAHHA), Susan Yuan (VTCDR), Mary Shriver (VHCA), Madeleine Mongan (VMS), Julie Tessler (VCCMHS) and Sarah Littlefeather (Consumer).

**Other Interested Parties:** Anita Hoy (COVE), Cherie Bergeron (EDS) and Les Birnbaum (DCF).

**Staff:** Joshua Slen (OVHA), Nancy Clermont (OVHA), Clark Eaton (OVHA).

**HANDOUTS**

- Agenda
- December 13, 2007 Meeting Minutes
- Federal Requirements and Decisions – 01/16/08
- DAIL Overview of Waiver and Spending Plan for Long-Term Care – 01/24/08
- VT Medicaid Premium History w/ SFY '09 Recommendation – 01/22/08
- VT Pharmacy Co-Pay History w/ SFY '09 recommendation – 01/22/08
- H.612 – Sustainable Health Care Financing

**CONVENE**

Kay Van Woert chaired the meeting.

**Approval of Meeting Minutes**

The December 13, 2007 meeting minutes were submitted for approval and were approved unanimously.

**Dept. of Aging and Independent Living (DAIL) Budget Update – Brendan Hogan**

Brendan Hogan, Deputy Commissioner of the DAIL, noted that their department had not briefed the legislature yet on the DAIL's State Fiscal Year (SFY) '09 Budget recommendation; therefore, a full budget briefing for the MAB would have to be scheduled for a future meeting.

A handout was provided depicting an overview of DAIL's Choices for Care Waiver and Spending Plan for Long-term Care from October 1, 2005 until January 1, 2008. Rising costs have driven the need to establish a waiting list, effective February 1, 2008, for the Choices for Care High Needs Group. The creation of a waiting list, to be effective at least until the end of State Fiscal Year '08, should assist in keeping current and future budgets in line.

Members questioned why there was a need for waiting lists after DAIL had recently been able to eliminate them.

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The DAIL will be discussing the factors that are increasing expenses with their own Advisory Board and will provide more detailed information later. The DAIL will also provide the MAB more information and analysis on what happens to people while they are on the waiting list.

**Director's Update- Joshua Slen**

Joshua Slen provided an update on the Office of Vermont Health Access (OVHA) SFY '09 budget process. Because the agency's budget was not closed until two days before the Governor's Budget Address on January 22, 2008, the OVHA does not have the supporting documentation prepared in order to brief the MAB on its SFY '09 budget in detail. The OVHA Budget Document will be provided to the MAB at the same time that it is provided to all of the state legislative committees. The OVHA is scheduled to make its budget briefing to the legislature on February 7, 2008.

The OVHA provided two handouts: 1) VT Medicaid Premium History with SFY '09 Recommendation and 2) VT Medicaid Pharmacy Co-Pay History with SFY '09 Recommendation. Each of these SFY '09 recommendations reflects increases.

Detailed information is not ready yet on other issues. One key issue that will need explanation is an \$8 million increase carried in the budget for in-state hospitals. Because these hospitals' Disproportionate Share Hospital (DSH) payments are going down dramatically, the OVHA is recommending a two year bridge for hospitals – an \$8 million rate increase in SFY '09 and another \$8 million increase in SFY '10.

There are significant challenges with the Medicaid budget for SFY '09. The OVHA has already worked hard to put \$17 million of administrative and programmatic savings on the table. These savings have been applied before the state continues the discussion on how to close the remaining budget gap. The Medicaid program is in balance and the year over year growth rate in Medicaid has been squeezed down dramatically in comparison to historical rates of growth.

Discussion: Members asked a number of questions and requested more detailed information about the budget. OVHA stated that printed budget copies will be hand delivered and mailed to MAB members as soon as available. Kay Van Woert agreed to work with Clark Eaton to summarize members' data requests, email the draft list to MAB members for additions/clarification, and then Clark Eaton and OVHA will gather as much information as possible for the next meeting. Remaining gaps in information and further requests will be discussed at the February meeting. The MAB agreed to postpone discussion of action on the budget to the end of the meeting.

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**Vermont Department of Health (VDH) Budget Update – Christine Finley**

Christine Finley, Deputy Commissioner of Public Health, provided a brief summary of the Medicaid portion of the VDH SFY '09 budget. There is no significant increase for Medicaid, except for a 2.5% increase for substance abuse providers.

A significant concern for VDH is also addressed in the OVHA's handout addressing the potential loss of federal funding for school administrative expenditures. A proposed rule change could result in a \$3 Million reduction statewide for schools. It could affect work in the Early & Periodic Screening, Diagnosis & Treatment (EPSDT) program, school nurse/ counselor staffing and efforts to help children find medical and dental homes.

Under the Dental Dozen initiatives, the VDH is making efforts to place dental hygienists in three district offices to work with the age 0-3 Medicaid eligible group. The VDH is also looking at the Children with Special Health Needs population and at the best ways to deliver services to community based areas in the future. There is increased demand for child development clinics. A grant application will be submitted in February, 2008 to obtain funding to study the delivery of Children's Special Health Needs (CSHN) services and how to meet client needs in a comprehensive manner.

**Department for Children and Families (DCF) Budget Update – Steve Dale**

Steve Dale, the Commissioner of DCF, provided an overview of the Medicaid portion of the SFY '09 DCF budget. The DCF budget will not be presented to the legislature until early February, 2008.

There are some Medicaid related rate increases, but nothing substantial. In the Family Services, Child Welfare and Juvenile Justice budget, there are some rate increases: 1) a 2.9% increase for Foster Parents and, 2) a 3.75% increase for Residential Providers. Each has a heavy component of Medicaid. In the Child Development Division, the caseload has increased in the Family, Infant and Toddler Program, principally because of additional cases for the treatment of autism in the age 0-3 eligible group.

The DCF is also making an effort to combine a group of early childhood services -- bringing together children and families with high needs and creating a single place for them to go for service. Through Global Commitment funding, three pilot projects have been started (located in Springfield, St. Albans and Hartford, VT) that focus on very young children with special needs.

MAB members asked about a reference in the Governor's budget request to an initiative "to integrate services for children with disabilities". Steve Dale said this initiative was in the very early stages. The MAB requested an update on all integrated children's initiatives related to services to children with special needs for the next meeting.

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**MAB Request Updates – Nancy Clermont**

Nancy Clermont provided an update on previous MAB requests. Health Care Reform training locations and dates were distributed to the board. A handout was provided (Federal Requirements and Decisions, 1/16/08) that describes potential implications on case management and on federally allowable Medicaid for rehabilitative services and administrative costs in schools.

There is no answer yet on the OVHA providing liaison information for consumers with Medicare Part D issues. Advocates have been working with Esther Perelman at the OVHA and should continue to contact her for now. The requested breakdown of increased SCHIP expenditures – if it had to be funded under Global Commitment – was clarified for better understanding. It is still being developed.

The OVHA has a draft of a Provider Reimbursement Inventory but it is not yet complete. Concerning the request to study Dual Eligible issues, a study and report published in 2003 was provided to the board. Considering current workloads, the OVHA cannot commit to starting a study on Dual Eligibles at this time. It may be considered later, but this will depend on what work comes out of the legislative session, other new initiatives and staffing capabilities. The MAB will consider how to proceed on this request later, after discussion with the Dual Eligible work group leader, Jackie Majoros.

**New Business**

Lila Richardson discussed the eligibility date issue for the VT Health Access Program (VHAP). Last year, the eligibility date was changed from the date a person was enrolled for coverage to the date that they applied for coverage. The system(s) need to be reprogrammed to effect this change. Because Catamount Health programming is taking precedence, this action will have to be prioritized for later in the year.

**MAB Action**

The MAB discussed how and when to respond to the Governor's budget in light of missing information, given the immediate and widespread concern on the MAB about the proposed premium increases and co-pays. Michael Sirotkin suggested immediately expressing our concern to the Legislature, with more formal and detailed follow-up after discussion at the February meeting with access to more data. Kay Van Woert will draft a resolution for the MAB's consideration expressing the board's broad opposition to the proposed premium increases and co-pays in the Governor's SFY '09 Budget because of the potential implications of decreased access and enrollment for eligible Medicaid beneficiaries.

**MAB Requested Information and Background Data Requests to Evaluate SFY2009 Budget**

- The OVHA SFY '09 Budget Document – mail to primary members; e-link

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- Information on disenrollment history under previous higher premium amounts
- Analysis of human cost / crisis costs from higher premium amounts
- Data on potential cost shift to other government funders (e.g. schools, CSHN)
- Cost of proposed increases premiums and co-pays -- state share savings vs. cost to beneficiaries
- Average script count per VPharm beneficiary per month as well as average cost of the drugs
- The cost to not have a DAIL Choices for Care High Needs Waiting List
- Information on what happens to people on the High Needs Waiting List
- The amount spent by DAIL (and number of people served ) for out of state facilities for VT residents who could potentially be served by Choices for Care

**Requested Presentations and Topics for February Meeting**

- Presentation on AHS initiative to integrate services for children with disabilities mentioned in the Governor's Budget Address
- Presentation of the full DMH Budget
- Presentation of the DAIL Budget
- Discussion of full Medicaid budget from Budget document including proposed premium increases and co-pays.
- Progress report on the MAB's Provider Reimbursement recommendations, including OVHA inventory of rates/rate increases
- Discussion of Dual Eligible Issue response

**Next Meeting**

**February 28, 2008**

**Time: 10:00 AM – 12:30 PM**

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