

AL Department of Medicaid
Medical Care Advisory Committee Meeting Minutes
June 15, 2011

Call to Order:

Commissioner R. Bob Mullins, Jr., MD called to order the regular meeting of the Medical Care Advisory Committee meeting at 1:30 p.m. in the Executive Boardroom.

Attendees: Terri Reid (Nancy Buckner), Richard Powers (Zelia Baugh), Jim Carnes, Peggy Gavan (Irene Collins), Louis Cottrell, Joe Decker, Mary Finch, Lawrence Gardella, Linda Lee, Dr. Marsha Raulerson, Steve Snyder and Dr. Mary McIntyre (Don Williams).

Medicaid Attendees: Dr. Robert Moon, Dr. Kelli Littlejohn, Kathy Hall, Nancy Headley, Marilyn Chappelle, Gretel Felton, Kim Bath, Lee Maddox, Karen Wainwright, Lee Rawlinson, Derik DuBard, and Henry Davis.

Other: Erica: Erica Fox

Budget Update:

Commissioner Mullins reported that the Agency received its budget Friday and it is still being reviewed. There are some challenging issues. The biggest is a \$57 million dollar deficit that the Agency has to deal with. He stated that it is a doable budget and that the Agency was very fortunate not to be cut anymore than it was. The Agency does have an operational plan in place to help overcome the deficit. Dr. Mullins also, stated that he is optimistic about the budget, even though there is a deficit. Another issue the Agency will have to deal with is drugs. The Pharmacy program will be limited to four name brands instead of five as it was last year. There will be unlimited generics and a prior authorization for antipsychotics.

Legislative Update:

Henry Davis reported that for the Federal level, Block grants are being reviewed for Medicaid. At the State level, House Bill 383 passed regarding nursing home association and House Bill 392 passed regarding the hospital association. He commended both groups for their efforts in getting the bills passed.

Eligibility Update:

Gretel Felton reported that Medicaid had an increase in its income level for fiscal year 2011. Last year the Agency did not have a pricing index change, so it did not have an increase. Medicaid continues to work with AllKids on the state's Maximizing Enrollment grant called The Peak Project, (*Perfecting Enrollment for Alabama kids*) which is a project of the Robert Wood Johnson Foundation. UAB was contracted to conduct a focus group in the Jefferson and Montgomery County areas. The group was asked to rate the program for joint applications for Medicaid and AllKids and Medicaid received a favorable rating of 10. The detailed report is still being reviewed to implement improvements for the program. Also, the Agency is working with AllKids and a vendor they have selected to develop online renewal applications for both programs. Also, a Spanish online and renewal application is being developed.

In 2014 the Agency plans to enroll up to 500,000 thousand new recipients. Some will be children that are currently enrolled in AllKids. Approximately 44,000 thousand

children will be transferred to Medicaid because with the Affordable Health Care Reform each agency will have to increase its income limit to one limit for all of our family populations at 133 percent of the Federal Poverty level. This will include Plan First women and adults between the ages of 19-64.

The state is developing a Health Insurance Exchange, which will be responsible for coordinating the eligibility component for Medicaid, AllKids and families up to 400 percent of the federal poverty level. The Governor asked the State Department of Finance to initiate planning activities and to request the planning grant funded by HHS in order for the state to begin work. A planning grant has been requested through the Department of Insurance. The final stakeholder's meeting will be held in late July, followed by the final report and recommendations in September. The Governor established by Executive Order dated June 2, 2011 a commission that will study this and by December will make some recommendations; possibly reviewing what LMI has studied. The Agency is viewing its business processes as well as updating its system to determine how to prepare for the increase in the number of recipients in 2014.

The first two phases of the Express Lane eligibility (ELE) is up and functioning. This allows Medicaid and CHIP agencies to determine eligibility using certain eligibility findings from other public need-based programs. Since the inception of the program, over 158,000 children have had their eligibility determined through ELE. The Agency is in the process of working on phase three which is a paperless process. We have requested that Plan First women that are only receiving family planning services be included since it is a waiver.

The Agency has opened a new Customer Service Center in Mobile. Medicaid's new Customer Service Centers serve as a one stop shopping office where clients can apply for Family Certification Programs and Elderly/Disabled Programs. The Agency is also working towards opening a Customer Service Center in the Huntsville area by the end of 2011.

The Central Office, District Offices and Customer Service Centers are now using a document imaging management System. Scanners have been placed in the offices. Soon all applications will be routed to the Central Office to be scanned and indexed into the system. This should provide a better customer service. We are in the testing phase now and then we will phase in the other locations that will be fully implemented with the scanning process.

The Robert Wood Johnson Foundation has selected Alabama to receive a grant. The Foundation will assist the Agency in implementing key health insurance coverage provisions of the Affordable Care Act. RWJF will invest in technical assistance, research and monitoring, and consumer engagement to maximize coverage gains made possible by the Affordable Care Act. Also, the Agency as a state will receive 150,000 thousand dollars which the Agency can utilize however it needs to utilize.

Pharmacy Update:

Kelli Littlejohn reported that Governor Bentley's fiscal year 2012 budget signed into law last week mandated that Medicaid move from the current five prescription brand limit per month to a four prescription brand limit per month. All other aspects to the

current brand limit remain the same. The children of Long Term Care recipients has been excluded, antipsychotics, antiretroviral or those drugs used for AIDS are allowed to use up to ten prescription brand name per month. There is still the brand name switch over all other aspects related to that current five brand prescription limit will be maintained. The Agency is opening up the Administrative code to make the modification. Provides should see the code in the administrative monthly which should be released sometime in July. A SPA will be submitted to CMS. The initiatives will be effective October 1, 2011. Another item in legislation is the Antipsychotic Prior Authorization Program. We have been working very closely with AL Department of Mental Health and a Positive Antipsychotic Management (PAM) workgroup. The workgroup works and focuses on antipsychotic utilization in children. The program will include children and adults. It will be subsequent to a P&T committee review in August. We anticipate adding this program into place with the electronic PA program.

The Durable Medical Equipment program (DME) has been moved under the Pharmacy Program from the Long Term Care Program. The Agency will be conducting a Cost of Dispensing Survey, which only pertains to pharmacies. More details will be given at the Alabama Pharmacy meeting in Sandestin Florida.

Long Term Care Update:

Marilyn Chappelle reported on the Long Term Care Rebalancing Advisory Committee. The committee was established by Senate Joint Resolution 84 which was in the 2008 legislation. The overall purpose of this continuing committee is to develop a vision for better services for the long term care system and policies to promote the new system. The Agency's primary focus is to give the individual a choice and to respond to some of the federal minimum data set (MDS) requirements.

The Program of All Inclusive Care for the Elderly (PACE) is designed for individuals 55 years of age or older. A PACE program is being actively developed by Mercy Medical in Mobile. The anticipated date for enrollment is November 1, 2011. Medicaid will pay a capitated payment, per month per individual. If they are dually eligible, the PACE organization will receive a capitated pay from Medicare. Once the individual is enrolled in the program, Medicaid will seek no additional claims. The PACE organization is responsible for any services required by the individual. No one can be disenrolled from the program just because their medical needs change. Volunteers of America (VOA) expressed an interest in opening a program in the river region area. The Agency has added two more transitional waivers to assist the individual in the community: The Transitional case management and the Alabama Community Transition (ACT) waiver. The ACT waiver was approved by CMS with an effective date of April 1, 2011. The Transitional Case Management will be offered in all of Alabama's Home and Community-Based Services (HCBS) waivers. It is being considered as a part of the Targeted Case Management services. The EPSDT requirement has been removed from the Technology Assisted (TA) Waiver. The Agency is continuing to work with AL Department of Senior services in an effort to have Aging and Disability Resource Centers across the state.

Health Systems Update:

Dr. Robert Moon reported on the workforce in Alabama. The average primary care physician that accepts Medicaid has about 500 patients. AUM did a study on why physicians did not participate in the Medicaid program. The number one issue was

“money” followed by patient care and missed appointments. The report is on-going and we are still gathering information on the study. He also asked the committee to provide their input as to why more providers do not participate in Medicaid.

Medicaid’s main goal is to get the recipient into compliance. We are working on a Community Care Network System on top of the Pilot project. We developed a program like the one in North Carolina with the ability to increase compliance, ability to increase performance on quality measurements and to save money. North Carolina has saved between \$150 to \$200 million per year; they are state wide in using Community Care Networks. We received approval from CMS on May 31, 2011 waiting for the Governor’s signature for the kickoff of the networks. The three areas that will be using the networks are North Alabama, West Alabama, and East Alabama. Each organization must be a non-profit organization and governed by a board. We will be measuring very carefully the clinical/quality performance in each region verses our baseline; the financial performance. The Agency is in the process of developing a unified set of quality metrics. We will begin with the outpatient quality measures. Blue Cross Blue Shield has 20 outpatient quality measures. Our goal is to have one set of quality measures.

The next project is cost containment. We have a resource available through one of our contractors. They will help in the investigation of cost containment ideas. Currently, HP is assisting the Agency with this project.

Health Information Technology:

Kim Davis-Allen reported that the Agency is in the process of its final evaluation step on the vendor for the technical infrastructure for Health Information Exchange (HIE). There were numerous amounts of proposals submitted. There were a total of five vendors selected. The Agency opened up the pricing and from the five, we choose three of the highest vendors. As a result of that, we have met with our commission committee and evaluators and are in the process of doing our vendor demonstrations. Also conference calls have been scheduled to discuss various components and pricing of the HIE. As far as technical support, they were all within five percent of each other. The Agency hopes to get the vendor in place by the July 1 contract review. January 1, 2012 is the expected operational date.

Closing Remarks:

Dr. Mullins commended his staff of a job well done in assisting him. He expressed a special thanks to the IT department for their ability to engage in the Health Insurance Exchange, our ability to communicate what we do here with outside agencies within the state. He stated that Medicaid will be expanding and some changes will be made. He suggested one change should be made and that is “we should have a Medicaid program to be meaningful and not demeaning.”

Gretel Felton answered a question asked earlier by Dr. Marsha Raulerson regarding the number of parents that were on family planning. There are 68 thousand parents of children on Medicaid are also on family planning. We also have an additional 19 thousand women that do not have children on Medicaid and are on family planning bringing the grand total to 87 thousand plan first women.

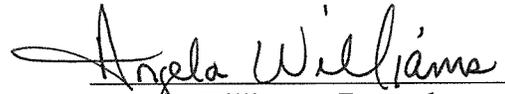
Terri Reid commended the Agency for their outreach effort in assisting Commissioner Buckner and the AL Department of Human Resource in solving the efforts of getting AllKids/Medicaid applications out due to the tornado disaster which occurred over the last few weeks. Also, commended the Agency for working with the Governor's office; hiring some family assistance recipients (TANF) to help with the document imaging scanning project.

There being no further business to discuss, the meeting adjourned at 3:30 p.m.

Respectfully submitted by:



R. Bob Mullins, Jr., MD, Commissioner



Angela Williams, Recorder

MEMBER	✓ PRESENT	REPRESENTATIVE (if member is absent)	EMAIL ADDRESS
1. Jeff Arrington			
2. Zelia Baugh			
3. Cary Boswell			
4. Nancy Buckner	✓	Terrie Reid	
5. Rolin Buford	✓		
6. Jim Carnes	✓		
7. Irene Collins	✓	Daggy Miller	
8. Louis Cottrell, Jr	✓	Diana E Cottrell, Jr	
9. Joe Decker	✓	Joseph F Decker	
10. Mary Finch	✓	Mary Finch	
11. Lawrence Gardella	✓	Lawrence Gardella	
12. A. Z. Holloway, MD		A. Z. Holloway, MD	
13. Mike Horsley			
14. Louise Jones			
15. Cary Kuhlmann			
16. Linda Lee	✓	Linda Lee	lee@map.org
17. Roosevelt McCorvey, MD			
18. Marsha Raulerson, MD	✓		
19. Wilburn Smith, Jr., MD			
20. Steve Snyder	✓	Steve Snyder	
21. Don Williamson, MD	✓	Don Williamson, MD	