MAAC – April 25, 2013

Medical Assistance Advisory Committee (MAAC)
Department of Public Welfare
4/25/13, 10 a.m., Lecture Hall 246/248, Temple University Harrisburg, 234 Strawberry Square

By John H. Jewett

Chairman Nick Watsula, Director of Medicare and Medicaid, UPMC for You, Pittsburgh, called the meeting to order shortly after 10:00 a.m. Fourteen MAAC members were present along with several staff members from the Department of Public Welfare (DPW). There were approximately 40 people in the audience which included several staff members from a variety of professional associations, businesses and lobbyist firms.

Chairman Watsula started the meeting with a reference to the top of the agenda which features the MAAC mission statement. He added:

“Everyone can read it themselves but it is always nice to remind everybody around the table and in the audience what the mission of MAAC is, and the mission of MAAC is to provide the Department of Public Welfare with advice about access to and delivery of good quality care. Sometimes over the past couple of months, we've had discussions about issues that may be a Governor's decision. It may not be a decision specifically for the Department of Public Welfare to provide a reasonable response … although they could help potentially with bringing potential concerns and questions over to the governor for example. I just want to let everyone around the table know that it is for this committee to advise the Department of Public Welfare verses advising any other leadership outside of this committee.”

During the approval of the minutes, an audience member expressed concerns about finding the minutes on the DPW website. It was announced that DPW staff would make a presentation on how to find information on the DPW website at the end of today's meeting.

After the minutes were approved, MAAC went to subcommittee reports.

Laval Miller-Wilson, Executive Director, Pennsylvania Health Law Project, gave the report for the Consumer Subcommittee. He noted that the subcommittee met on April 24 and there was a presentation by Deputy Secretary Vincent Gordon, DPW Office of Medical Assistance Programs, and his staff. The highlights of the meeting included a vigorous discussion about the challenges ahead now that managed care is statewide and recognizing that oversight becomes more difficult with managed care across the state. More resources are needed for oversight.

Miller-Wilson noted that a concern with the expansion of the HealthChoices mandatory managed care program is the adequacy of coverage through provider networks and whether it can be maintained. Other issues involved denials even when there is “medical necessity” and whether people are informed of possible appeals. Monitoring was a key concern for the subcommittee. Their action steps include bringing examples to DPW and getting attention. The Consumer Subcommittee also formed a subgroup to study and review issues related to monitoring.

Chairman Watsula turned to Bernard Lynch, MAAC Vice Chair and Senior Director of Payer Relations and Medical Practice Economics at the Pennsylvania Medical Society, for a report from the Fee-For-Service Delivery System Subcommittee. Mr. Lynch announced that the subcommittee did not meet. However, a meeting is scheduled for May 8.
The report for the Long Term Care Delivery System (LTCDS) Subcommittee was given by W. Russell McDaid. Earlier in the meeting, McDaid announced that as of last week, he was no longer with LeadingAge PA (formerly PANPHA) and was now working for Pennsylvania Health Care Association (PHCA). He is listed as the COO and Executive Vice President at the PHCA website.

The LTCDS Subcommittee met on April 9. McDaid noted there were still significant concerns with Public Partnerships, LLC (PPL) and the transition to one payer. While progress continues to be made, there were gaps in consumer payments and payments to direct care workers. The department is being responsive.

McDaid noted that during the subcommittee meeting, John Lovelace, President, UPMC for You, gave a presentation on re-hospitalization reduction for nursing home residents and efforts to prevent unnecessary readmissions. There were grant programs administered by the Centers for Medicare and Medicaid Services (CMS) in the US Department of Health and Human Services (HHS) to foster initiatives to lower hospital readmission rates for nursing facility residents.

One of the grant projects was in the Allegheny County area. It featured the use of targeted case management to reduce hospital readmission in the nursing facility population.

Lovelace indicated some preliminary success in this area. It is a four-year CMS grant and McDaid said that the subcommittee asked for regular updates. They didn’t want to wait four years to learn of experiences with the program. McDaid said the subcommittee received a report attendant care and aging waiver renewals. There was a robust discussion on physician authorization forms.

Joseph Glinka, Legislative Director, Gateway Health Plan, Pittsburgh, offered a report for the Managed Care Delivery System Subcommittee. It met on April 11. It was an “excellent meeting.” Glinka reported on several issues: HealthChoices expansion, behavioral health program update for certain counties, churn in plans is less than one percent, auto-assignment to plans, licensure for behavioral specialists, 500 discrepancy letters sent to providers, Bureau of Autism offering training online to streamline processes, linkage between health exchange and Medicaid expansion, provider capacity for any increase in Medicaid rolls, and quality and continuity of care should be paramount.

Glinka noted that his fellow MAAC member, Eve Kimball, MD, FAAP, Pennsylvania Chapter, American Academy of Pediatrics, “was kind enough to offer a presentation on the health teeth / healthy kids” partnership between pediatricians and dentists. “Dentists get good medical training, doctors get no dental training. The goal is to optimize oral health.”

Chairman Watsula introduced DPW Acting Secretary Beverly Mackereth to give an update on the status of the Affordable Care Act Medicaid Expansion.

“The conversations around Medicaid expansion are continuing. We had three calls last week and we will be following up.” She said that she would let the committee know where they had some answers and where they didn’t.

“Number one is the issue of whether or not we are eligible for the 100 percent from the federal government, and we are. So, we have clarified that.”

“Number two, are the children who are currently in the CHIP program below the 133 percent of poverty, and they cannot remain in the CHIP program. They must be transferred into the MA program, and that is really something that the feds are saying they do not have flexibility on … this is law, and they have shown us cites.”
DPW plans to challenge this a little bit more, “but it looks pretty clear.” The federal aim appears to be to have whole families in MA. “To them, this is continuity.”

“You don’t write federal law for one or five states.”

Sec. Mackereth stated that there might be an annual cost of $19 to $20 million. But, there may also be savings. “We don’t know what the savings are.”

“A couple of things we don’t know … we don’t know that the way we fund currently MA … that all those pieces are acceptable.” DPW is looking at how it funds. Sec. Mackereth mentioned federal government concerns with the gross receipts tax and a “hole” of $400 million per year. DPW counsels are researching this issue.

“We are having conversations around reform … reforming, simplifying our benefits packages… and we are looking at can we simplify administratively … it is a nightmare. The feds have agreed with us that simplification is important. They have agreed to work with us on this issue regardless of the expansion conversation.”

Sec. Mackereth stated that they have talked to the federal government about the goal of “reasonable cost sharing.” This is an important goal for the administration. “The governor feels very strongly about … that there should be something… Initially, I don’t think the conversation from CMS has been real favorable on this issue. But, they haven’t said no.”

According to Sec. Mackereth, the administration believes there should be an incentive to move off MA and get insurance. She said, “As all of you know, the newly eligible population that we are talking about is really healthy, able-bodied people, but many of them are working, and many of them may be working two jobs … or three jobs. They’re just minimum wage jobs. So, I believe we’re really looking at … if you can work, should there be some requirement to at least seek work, and we’re kicking that around to see what that might mean.”

Another issue for DPW is finding ways to incentivize best practices for quality of health, wellness or prevention. An example would be encouraging smoking cessation. Many benefit packages are working on ways to encourage good behavior.

Other issues that are being explored include long term care and managed care in long term care. The federal government is encouraging discussions on this issue.

Sec. Mackereth mentioned that several groups have produced independent studies on Medicaid expansion including the Independent Fiscal Office (IFO) of the General Assembly. She said DPW was not sure where the IFO got its assumptions in some areas. She mentioned that there was a meeting this morning to talk with IFO about its study and provide them with additional information. The IFO study was issued on April 22, 2013. A one-page summary is available with other material. The entire report is available at http://www.ifo.state.pa.us/Releases.cfm.

“People think we can do MA expansion today. Without having some of these answers, we can’t do MA expansion today.” Sec. Mackereth asked if there were any questions.

Two audience members asked for clarifications about CHIP, MA and the health care exchange. Sec. Mackereth said that people will be transferred to MA. In addition, she emphasized that Pennsylvania has to practice “due diligence” in reviewing possible impacts. She said the exchange would be operational by October.
Linda Anthony, Policy Director in Harrisburg for the Disability Rights Network of Pennsylvania, declared that Medicaid expansion was crucial to help persons with disabilities to get and retain employment. She stressed that it would assist people with disabilities in obtaining some level of independence. There are 300 people on a waiting list for these types of services.

Sec. Mackereth stated the MA expansion would not help the waiting list. She indicated that the governor was very upset about this.

Anthony disagreed. She said that MA expansion would help people with disabilities get services. Pennsylvania is known for helping people be a part of the community and MA expansion would help maintain the people in the community and keep them out of nursing homes. She said the state is “going backwards.” Anthony said, “Low income people, that’s what it’s about. It’s about giving them some health insurance so they don’t have to work two or three jobs, so the family doesn’t have to fall apart when something happens. MA expansion is going to help low income people get on their feet just like me. Many of them are out there like me. I just have a bigger mouth. But they want the same things. They really do. We want dreams, and we have dreams, and we want a life. MA expansion will do that for this state. We can hold our head high again…So, please reconsider about the MA expansion.”

Sec. Mackereth interjected, “We have not said no.”

Anthony replied, “I’m really happy to hear that.”

Sec. Mackereth said that we need the answers and, “it has to be done right.”

“I wish it were that easy. My responsibility is to get answers. The federal government said that our current benefit packages are not sustainable.” Sec. Mackereth talked about the growing need for tax dollars and that was concern. She also noted that she is worried about her own family since her son is working two jobs and has no insurance except from her and soon her soon will not be eligible for her insurance. She understands the dilemma.

Anthony mentioned her concern about institutionalization of people. Sec. Mackereth agreed with her. McDaid interjected and said that there is no surplus of nursing home beds and that the medical needs of the nursing facility residents is growing more acute.

There were a few additional questions about funding and broadening the funding impact. Sec. Mackereth emphasized that she had to get answers and not rush into something. She said that DPW will answer any questions that submitted in writing. She said they will keep having the conversation, and we all want affordable, high quality care in Pennsylvania.

Audience members thanked Sec. Mackereth for coming to MAAC. She assured everybody that she will continue to come to the MAAC meetings.

Next on the agenda was Robert Gardner, Director of the DPW Bureau of Policy, Analysis and Planning, who gave an update for the Office of Medical Assistance Programs (OMAP). Big concerns are when providers will get paid. DPW is still working with CMS to obtain its approval of the State Plan Amendment (SPA) which will address payment issues related to fee-for-service and managed care for physician payments. Gardner mentioned that they should be able to do a product code crosswalk.

On April 8, DPW received an informal RAI (request for additional information) from CMS. An informal RAI does not stop the clock, and the date for answer from CMS is May 1. The RAI contained nine questions on payment methodology, attestation forms, and vaccine code crosswalk. DPW answered the RAI on
April 17. Yesterday, DPW received a second RAI that has to be answered on April 26. Gardner said they will answer it and that next week is May 1 and they are quite hopeful about a decision from CMS. DPW will do its best to put the decision results from CMS out on the “listserv” so that it’s accessible to everyone.

On the managed care side, payment information will also be held up by contracts with the managed care organizations (MCOs). Leesa Allen, DPW OMAP Chief of Staff, added some details on MCO side. DPW submitted information to CMS on MCOs and the counties. CMS submitted questions and DPW is responding formally in writing. MCOs have submitted their plans to DPW for being in compliance. She said that the managed care side is moving along.

Gardner also announced that they have extended the attestation deadline for certain physicians to July 1. An MA Bulletin will be published very quickly detailing this decision and will be retrospective back to January 1. He believed this would “even the playing field.” Eighty-five percent of board certified physicians have already submitted their attestation forms.

MAAC members, Robert Greenwood, Vice President, Health Care Finance and Insurance, Hospital and Healthsystem Association of Pennsylvania, and Kimball expressed concerns with MCOs during the conversion phase. Kimball said that there will be a gap in payment to physicians. DPW indicated that there may be more detail available when the SPA decision and the plans are before DPW.

The Office of Long Term Living (OLTL) update was provided by Bonnie Rose, Deputy Secretary, DPW OLTL. She mentioned updates on three items. DPW received several comments on waiver renewals and they are available on the website. Waiver renewals were submitted to CMS on March 27. CMS submitted questions are on the applications and DPW responded. Most of the questions required simple clarifications. The rate review process for service coordination is ongoing. Rose is hoping to get more information to MAAC at the next meeting.

Linda Anthony questioned the possibility for reviewing the renewals. Rose indicated that information and 311 comments were posted on the website.

Other participants asked for an update on the OLTL waiting list. McDaid asked about delays in processing various items. Anthony added a concern about processing criminal background checks. Rose said she would look into the issue.

Next on the MAAC agenda was Jim Weaver, Chief Information Officer, DPW Bureau of Information Systems. He gave an informational systems update via nine PowerPoint slides. The presentation is entitled “Affordable Care Act System Update.” The document is labeled “MAAC ACA System Impl.” This is the informational system for the health insurance exchange. A member of MAAC and the audience asked for explanations of abbreviations in the presentation. FFM: “Federally facilitated marketplace,” MAGI: “Modified adjusted gross income,” and eCIS: “electronic Client Information System.” These terms are identified in the slides.

Another question from the audience was about the potential for fraud and protecting personal information. Weaver mentioned that CMS would be introducing a program on the subject.

Miller-Wilson asked about consumers in the marketplace looking for insurance. Weaver discussed two models – assessment and determination – for how consumers would be directed to MA or insurance. Weaver said that DPW is prepared for either option.
Glinka asked whether the federal government would be ready for the exchange. Weaver said that they aren’t ready. However, the federal government is working hard to get things ready. Weaver said that DPW is looking at other states such as Illinois, New Mexico and others.

Gardner pointed out that a list of Medical Assistance Bulletins published in the last month was available. The bulletins include these subjects: Medical Assistance Program Fee Schedule Revisions, Pharmacy Benefit Package Update, 2013 Recommended Childhood and Adolescent Immunization Schedules, Prior Authorization of Analgesics, Narcotic Short Acting - Pharmacy Services, etc.

Under old business on the agenda, Lloyd Wertz of the Family Training and Advocacy Center, Philadelphia Mental Health Care Corporation, asked about a motion that he heard last month that was made and seconded by MAAC members asking for information on the Arkansas model for Medicaid expansion. He said he didn’t see it on the agenda.

DPW staff said that this is an “advisory committee and we’re happy to take advice but we’re not going to bring Arkansas model, Florida model, Puerto Rica model, if they happen to have one, to the MAAC. There are a number of models out there… They are easy to find… We never promised to bring some type of presentation on this to the MAAC.”

After the meeting adjourned, Daniel Sorge, Special Assistant, DPW Bureau of Policy, Analysis and Planning, gave a presentation about recent changes in the DPW website and how to find MAAC materials and agendas. At one point, Sorge had some difficulty with the website. After saying that he was going to show the simplest way to get to something on the DPW web, he got an incomplete screen view, and he commented that the screen’s not supposed to look this way.

Click here to view attachments from the meeting.