



Medical Care Advisory Council

Minutes

Date: October 6, 2005

Time: 1:00 – 4:30 p.m.

Where: Michigan Public Health Institute
2436 Woodlake Circle, Suite 380
Okemos MI 48864

Attendees: Roger Anderson, Bruce Bragg, Daniel Briskie, Andrew Farmer, Christine Chesney, Jan Hudson, Kathy Kendall, Sandra Kilde, Dave LaLumia, Gary Ley, William Mayer, Paul Shaheen, Jocelyn Vanda, Warren White, Franz Neubrecht, Pat Anderson, Walt Stillner, Allison Herschel, Ellen Speckman-Randall, Lonnie Barnett, Paul Reinhart, Steve Fitton, Sue Moran, Edmund Kemp, Kathy Whited, Christine Farrell, Billie Hargrove

Conference Call

Attendees: None

Absent: Edward Canfield, Vernice Davis-Anthony, Herman Gray, Dianne Haas, Kathleen Kirschenheiter, Anita Liberman-Lampear, Larry Wagneknecht

WELCOME AND INTRODUCTIONS:

Jan Hudson - Introduction of Billie Hargrove, new MCAC Coordinator. All attendees introduced themselves and indicated their areas of interest with regard to the MCAC.

UPDATES:

Paul Reinhart - State Budget Update. DCH and Medicaid were priorities in FY06. This is demonstrated by the fact that Paul discussed the following individual changes to Medicaid for FY06:

- All new state revenue plus \$50 million was appropriated to DCH.
- Restoration of the Adult Dental benefit (13.8M) – effective 10/1/05.
- Obstetrical rates increased by 20%.
- Ambulance mileage rates increased from \$3.70 to \$4.25.
- Co-pays increased as follows: \$1 – outpatient hospital visit; \$2 – Physician visit, \$3 – hospital emergency room visit, \$50 – first day of inpatient hospital stay.
- Inpatient Hospital case rate for caretaker relatives and 18-20 year olds: need waiver that is against CMS historic position.
- Medicaid Modernization Waiver requests – 30 questions received from the Federal government; responses under development.
- Adult Benefits Waiver appropriated at 55,000; current enrollment about 62,000. Caseload reductions will be required.

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Steve Fitton – Federal Budget Update (Summary documents included in Meeting Packet):

- Federal budget operating on a continuing resolution.
- Key areas of concern include state flexibility for benefits and cost sharing, reduced Medicaid payments for drugs, modified long term care asset policy, tightening requirements on HMO provider taxes.

Charles Overbey, Department of Management and Budget and Jan Hudson – FY06 Federal Budget:

- The Price of Government process is essentially a planning process. It asks basic questions. What are our priorities? How much money do we have and how do the two fit together? The final step is to match our priorities with our funding.
- FY07 process is underway. The Department is working on the Current Services Baseline materials that they will submit to the State Budget Office.
- FY07 revenues are likely short by \$500M; significant component of the shortfall is Medicaid.
- FY07 issues:
 - HMO actuarial soundness.
 - Maintaining the provider base; dental coverage just restored; dental rates are 30% of the prevailing rate.
 - Maintaining eligibility.
 - Maintaining covered services.
 - Cost sharing – important to both state and federal legislators.
 - Federal constraints.
 - Advocacy needed to maintain eligibility, services and rates. We need additional revenue or the State will be forced to cut the program.

DISCUSSION

Members commented that the health care system is broken; the private coverage situation is deteriorating while pressure builds on public programs. There was discussion on universal coverage vs. Medicaid program. Jan wants to hear from members about the revenue ideas they are willing to support. The TABOR initiative (tax payer bill of rights) was implemented in Colorado in 1992. It devastated the state's public services. There is an effort underway to get a TABOR initiative in Michigan. Jan cautioned members to be aware and watchful.

Lonnie Barnett – Health Planning Grant (documents included in meeting packet):

- Federal funds awarded to enable the State to collect data on who the uninsured are and to develop recommendations/plans for increasing coverage.
- Household survey – 13,000 households which included 34,100 individuals were contact by phone and responded to the survey.
- Employer survey – 12,000 sent out; response rate very poor <10%.
- Town Hall meetings are underway.
- The Advisory Council will receive the recommendations of the three workgroups.
- Preliminary recommendations are expected by the end of the year; final recommendations are to be released the 3rd week in May during Cover the Uninsured Week activities.

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Chris Farrell & Ed Kemp – Historically the two provider types the program struggles to enroll and have participated are the physicians and dentists.

Chris Farrell; Dental Specialist in the Medicaid Policy Division – Adult Dental Program:

- Good news – the Adult Dental Program has been restored as of 10/1/05. This has been the longest period that we have not had this benefit. While the benefit has been restored, there is concern about whether there will be any providers to treat Medicaid recipients. FQHC's have been using their grant moneys to subsidize the benefit, so they are pleased with the restoration. Need to find ways to increase Medicaid participation by the dental community. Chris provided a report of participating dentists by county. There are very few in some counties; one county has none. Most beneficiaries have to travel to see a provider.
- Issues Include –
 - Dentists are as busy as they want to be and work only as much as they want to. Many do not work full time.
 - Dentists don't want to treat disease, and many Medicaid recipients have cavities and other disease.
 - Medicaid has a negative stigma; we need to find incentives to encourage dentists to treat Medicaid clients.
 - Even with the improvements we have made, the perception is that there is administrative burden to the program.
 - Every state struggles with dental participation.
 - Surgeon general report shows that dental decay is mainly found in lower income persons.
 - ADA report shows a shortage of dentists by 2010 due to retirements, fewer hours worked, and fewer graduates.
- Suggestions include:
 - Better communication and marketing in communities.
 - Work with the two major dental schools in the state to develop social justice and disease treatment perspectives.
 - Develop dental school loan forgiveness programs and requirements that dental students must participate in community service.
 - Mobil dental clinics and community health centers are used in some areas, but those settings raise continuity of care issues.
 - Use newsletters to educate providers.

Sue Moran – Personal Responsibility/Healthy Behaviors:

- Boilerplate section 1637 language included in meeting package. Rep. George is keenly interested in this issue.
- Federal regulations prohibit us from imposing co-pays on certain groups (children and pregnant women).
- It is the beneficiary's self-initiative to use these 'guidelines'.
- The focus will be on education, there is no enforcement mechanism. Actions should align with the Healthy Michigan 2010 and Michigan Steps Up initiatives.
- Concern expressed about co pays being imposed on the poorest and that co pays tend to discourage people from seeking care.

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- Suggestion was made that whatever document the client is encouraged to sign should include the services that are available to promote healthy behaviors.
- A further suggestion was made that 'personal responsibility' should be accomplished by fully funding the Medicaid program so that recipients have access to needed services.

MCAC Subgroups:

- Long term viability of the Medicaid Program subcommittee was supposed to start meeting in August, but was delayed due to the protracted budget negotiations. Billie will work with subcommittee volunteers to get the first meeting scheduled.
- Of members present, William Mayer and Andy Farmer have volunteered to participate in the long term viability of the Medicaid program subcommittee.
- Jan or Billie should be notified if additional members wish to participate in this subcommittee.
- Comparison of the Fee for Service system and the managed care system will not be pursued at this time.

MCAC Letterhead: When the addition of member titles to MCAC letterhead suggestion was raised, members indicated that due to the small size of the print already, they did not believe it would be useful to add titles.

Future Meetings, Topic Suggestions and Other Concerns:

- Discussion on how many meetings to have in 2006. It was decided to have four (4) meetings in 2006 (January, March, July and October); different days of the week due to council members obligations.
- New Chairperson for 2006; it was decided and Jan accepted to continue as Chairperson for 2006.
- Topics for next meeting:
 - Eligibility determination (the Bridges project).
 - Part D Update.
 - Update on Rep. Newell's Committee.
 - Continuing revenue discussion.

Meeting was adjourned at 4:30 p.m.