



Medical Services Administration

Medical Care Advisory Council (MCAC)

Minutes

Date: Thursday, November 21, 2013

Time: 1:00 p.m.

Where: Michigan Public Health Institute (MPHI)
2436 Woodlake Circle
Okemos, MI

Attendees: **Council Members:** Jan Hudson, Pat Anderson, Kim Sibilsy, Cheryl Bupp, Jane Goetschy, Kim Singh, Barry Cargill, Vickie Kunz, Alison Hirschel, Jackie Doig, Robin Reynolds, Priscilla Cheever, Andrew Farmer, Amy Zaagman, Kim Singh, Elmer Cerano

Staff: Steve Fitton, Dick Miles, Jackie Prokop, Pam Diebolt, Marie LaPres, Charles Overbey

Welcome and Introductions

Jan Hudson opened the meeting and introductions were made.

Affordable Care Act (ACA) Implementation – Steve Fitton and Staff

Healthy Michigan Plan

Waiver Status

The 1115 waiver amendment request was submitted to the Centers for Medicare and Medicaid Services (CMS) on November 8, 2013, and CMS has sent questions back to the Department regarding special terms and conditions that the Department must respond to so the Healthy Michigan Plan may be implemented around April 1, 2014. The Department will continue to answer CMS questions in order to meet the intended implementation date.

Under the Healthy Michigan Plan, "Health Saving like Accounts" (HSA) called a MI Health Account will be created to engage consumers in the cost of their health care. Beneficiaries will be required to pay copayments, and if their incomes are between 100% and 133% of the Federal Poverty Level (FPL), they will also pay a 2% contribution per household to their Healthy Michigan Account. The contribution amounts may be reduced based on healthy behaviors and it is the Department's intention to have beneficiaries work alongside their primary care physician (PCP) to set goals for those healthy behaviors. Once the beneficiary has utilized the contributions in their MI Health Account, the Healthy Michigan Plan funding begins. Copayments will not be collected during the first six months, but an initial average monthly copayment history will be established during this time. The average monthly copayment amounts will be collected and retained by the MHPs starting in the 7th month. The average monthly copayment history will then be recalculated each subsequent six months. No Point-Of-Service (POS) copayments will be collected from beneficiaries enrolled in Medicaid Health Plans (MHP). If a beneficiary is exempt from the health plans and is in Fee-For-Service (FFS) they will continue to pay copayments at POS to the providers.

There will be a new online portal that can be used for the Healthy Michigan Plan application process using Modified Adjusted Gross Income (MAGI) for determining eligibility. Applicants can also apply via the Health Insurance Marketplace using the standard federal MAGI application, MI Bridges, and paper applications. The DHS-1171 application is being modified to ask different questions so MAGI eligibility can be determined from that application. If individuals are having a difficult time filling out the application, the 1-800 call line will help assist people in filling out the Medicaid application. Household income will be verified using federal tax information. If federal information is not available, pay stubs will be used to verify income. The Department of Human Services (DHS) will perform a verification process if there is a -10% variance in income reported.

The "alternative benefit plan," required for the Healthy Michigan Plan will include current Medicaid benefits excluding MI Choice long term care benefits and will include prevention and rehabilitative services plus mental health and substance use disorder benefits.

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The webpage for the Healthy Michigan Plan, which be located on the MDCH website, will be updated in the near future.

Outreach and Enrollment Plans -Jackie

Pending waiver approval, the Department intends to automatically transition Adult Benefit Waiver (ABW) beneficiaries into the Healthy Michigan Plan without having to do another MAGI eligibility determination. By February, the Department plans to reach out to ABW beneficiaries letting them know that they will need to work with Maximus to choose a Medicaid health plan.

Outreach is also planned for individuals who apply for the Healthy Michigan Plan and were denied because the eligibility system is not able to process new applicants for the program until around March 2014, when the law is set to take effect. The date to start applying to the Healthy Michigan Plan has not been released.

For individuals on Spend Down or the Plan First! program, another MAGI application to determine eligibility must be submitted.

The Department intends to partner with federally qualified health centers, health departments, providers and provider associations for outreach efforts. The Department is receptive to the letter received from many groups urging expedited enrollment for childless adults and couples receiving Food Assistance and for parents of children enrolled in Medicaid.

Coordination with DHS – Jane Goetschy, Department of Human Services

The Department of Human Services (DHS) is working jointly with the Department on different MI Bridges design groups and release planning. The Department has approved training for the Healthy Michigan Plan through DHS. DHS is working with the Department on business processes for phase 2 of the implementation. No additional DHS staff will be added to handle the new beneficiaries.

The Department has submitted a waiver to CMS asking for a delayed redetermination for MAGI-Related Cases through April 2014 to assist DHS with transitioning to the new caseload. The waiver is not yet approved. DHS is encouraging online applications to speed up eligibility determinations and reduce staff time requirements.

Questions were raised concerning the availability of Certified Application Counselors in local offices and the status of the Michigan Benefits Access Initiative. Jane will bring answers to the questions to the February 2014 meeting.

Dual Eligibles Integration Project – Update – Dick Miles

Since the last meeting, the CMS procurement process, request for proposals (RFP), and selection of the plans have been at the forefront of the Dual Eligibles Integration Project. Susan Yontz, project manager, now has two staff members. The plans have been selected and the Department is working on appeals issues that should be worked out in the near future. There is one plan in the Upper Peninsula, two plans in the 8 counties in the Southwest part of the state, and 6 plans in Macomb and Wayne Counties. The first meeting for the integrated care organizations that were selected will take place tomorrow. They will be discussing the readiness review process, assuring the selected plans are able to meet the requirements and provide services stated in their bids. The rigorous readiness review will be conducted by a CMS contractor. The Department is working with CMS to develop a Memorandum of Understanding (MOU) that lays out the structure of the program. It is expected by the end of November. The MOU has been delayed significantly due to the federal shutdown in October.

Two new waivers are required for implementation of the project; a C-waiver is required for coordination with the MI Choice waiver and a B-waiver will allow the Department to make enrollment mandatory with a choice component. A phased enrollment process is planned to begin in July 2014, which begins with opt-in enrollment followed by passive enrollment.

The next major component of the project is development of the rates.

The Department plans on hiring a quality assurance staff person and two contract managers.

A robust stakeholder process is planned, including the establishment of a statewide advisory council.

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FY 2014 Implementation – Jackie Prokop and Chuck Overbey

There is a provision in the ACA that states agencies can develop systems for determining presumptive eligibility for all MAGI groups. Hospitals are allowed to start presumptive eligibility determinations beginning in January 2014.

Administrative funding of \$40 million was appropriated for the Healthy Michigan Plan, \$20 million General Funds (GF) and \$20 million Federal dollars. Because most of the required work is technology related which is matched at 90% rather than 50%, a change in the match is needed. However, there is a general concern about this appropriation because some legislators believe it means an increase in the cost of the program. The Department has explained that the appropriation is for Information Technology (IT) functions and that the costs are already built into the program. The budget office supports the supplemental appropriation bill as proposed by the governor so the systems that are needed to run the Healthy Michigan Plan function correctly. Jan asked the group if the MCAC should write a letter in support of the Governor's supplemental appropriation bill to avoid an IT delay when the Healthy Michigan Plan is implemented. The group agreed and Jan will draft a letter of support. A supplemental appropriation is required to restore savings that will not be realized due to the Senate denial of immediate effect of the Healthy Michigan Plan legislation.

FY 2015 Budget Development Overview

The budget office is working on the FY 2015 budget. There have been discussions with the Governor about what direction he would like to take for the FY 2015 budget. There were no major cuts or program reductions requested in the budget development process. The executive budget is set to be released February 6, 2014, with a goal of approval by June 2014. Continuation of the primary care rate increase is on the table for discussion. Chuck noted that budget requests and investments greatly exceed the projected available revenue.

The Claims Tax is projected to be \$124 million short in FY14 and \$110 million short in FY15

Policy Updates – Pam Diebolt

1. MSA 13-44-Elimination of Co-Pays for BCCCP

This policy will be effective January 1, 2014. It is based on revised cost sharing regulations of the ACA and will eliminate copayments for the Breast and Cervical Cancer Control Program (BCCCP). The bulletin also addresses the elimination of copayments for Native and Alaskan Americans.

2. MSA 13-41 – Dental Implants and Adjunctive Services

This policy was issued on October 1, 2013. It indicates that dental implants and adjunctive services will be a covered service for certain qualified diagnoses.

3. MSA 13-33 – Claims Processing Guidance for Implementing the International Classification of Diseases, 10th edition (ICD-10)

This policy was issued on August 29, 2013. It provides further details on the implementation of the ICD-10 transition.

4. 1343-Dental – Revisions to Orthodontic Policy for Children's Special Health Care Services (CSHCS)

This policy is out for public comment currently. The policy discusses adding Orthodontics to dental plan coverage.

5. 1338-MIHP – Lactation Specialist Added to Maternal Infant Health Program (MIHP)

The public comment period ended yesterday. There were many comments received last minute on this policy so it is going to be delayed.

Other Issues

The Bureau of Behavioral Health Services is working on locating providers, training, and outreach for the Autism program. The program is moving slowly due to the time required to locate and train (1-2 years) providers.

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Council Chairperson for 2014

Jan Hudson asked the members whether anyone would like to be the chairperson for MCAC in 2013. Steve Fitton asked if everyone supported Jan continuing as the chairperson for another year. Jan accepted the nomination and was confirmed.

The meeting was adjourned at 4:05 p.m.

Next Meeting: – February 11, 2014