



Michigan Department of Health and Human Services  
Medical Services Administration

## Medical Care Advisory Council

### Meeting Minutes

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**Date:** Thursday, February 16, 2017

**Time:** 1:00 pm – 4:30 pm

**Where:** Michigan Public Health Institute (MPHI)  
2436 Woodlake Circle  
Okemos, MI 48864

**Attendees:** **Council Members:** Robin Reynolds, Jeff Towns, Kim Singh, Amy Zaagman, Joanne Sheldon (for Loretta Bush), April Stopczynski, Pam Lupo, Julie Cassidy (for Emily Schwartzkopf), Alison Hirschel, Marilyn Litka-Klein, Dominick Pallone, Dave Lalumia, Mark Klammer, Marion Owen, Linda Vail, Travar Pettway, Eric Roath, Rebecca Blake, Warren White, Lisa Dedden Cooper, Dave Herbel

**Staff:** Chris Priest, Farah Hanley, Lynda Zeller, Kathy Stiffler, Brian Keisling, Brian Barrie, Marie LaPres, Pam Diebolt, Erin Emerson, Jon Villasurda, Michelle Best

### Welcome, Introductions and Announcements

Robin Reynolds opened the meeting and introductions were made.

### Federal Update

Chris Priest reported that the U.S. House of Representatives is scheduled to begin discussing legislation to repeal parts of the Affordable Care Act (ACA) beginning the week of February 27, 2017. Because the details of any potential new legislation and its impact on MDHHS are currently unknown, the Department is continuing to implement its programs as planned while also advocating for the Healthy Michigan Plan at the federal level. MDHHS staff and meeting attendees discussed ways to promote the Healthy Michigan Plan at length, while Robin Reynolds offered to draft a letter of support for the program on behalf of the Medical Care Advisory Council (MCAC).

### Budget/Boilerplate Update

#### **2017 Update/2018 Proposed Budget**

The Governor submitted a budget proposal for Fiscal Year (FY) 2018 to the legislature on February 8, 2017, which contained a recommendation of \$25.6 billion gross and \$4.5 billion

## **Medical Care Advisory Council**

Meeting Minutes

February 16, 2017

Page 2

general fund (GF) for the Michigan Department of Health and Human Services (MDHHS). Highlights of the Executive Budget Recommendation for MDHHS include:

- \$55.5 million GF to fund the Federal Matching Assistance Percentage (FMAP) reduction for the Healthy Michigan Plan across Medicaid and Behavioral Health
- A one percent increase in actuarial soundness for Prepaid Inpatient Health Plans (PIHPs) and Medicaid Health Plans (MHPs)
- A wage increase of \$0.50 for direct care workers
- Funding for 72 new full-time staff members across five State hospitals
- Funding for a 200 bed replacement facility for the Caro Center
- \$12 million gross (\$3 million GF) to expand contracted Non-Emergency Medical Transportation (NEMT) broker services beyond Southeast Michigan
- Funding for 51 additional Pathways to Potential workers
- A recommended increase in the child clothing allowance from \$140 per month to \$200 per month
- Funding for 95 additional full-time adult services workers
- Increased funding for foster care parent support, as well as an increase in private foster care agency rates
- Funding for an Integrated Service Delivery Information Technology (IT) initiative
- Increase in the emergency shelter per diem rate from \$12 to \$16
- Additional funding for delivery of in-home meals and services for seniors
- Additional funding for Flint
- \$1 million for university autism programs
- \$2 million to implement the recommendations of the child lead poisoning elimination board

MDHHS staff noted that there were several earmark eliminations included in the Executive Budget Recommendation, but expressed the Department's support for the Governor's proposed budget for the MDHHS Medical Services Administration.

### **Flint Update**

MDHHS received approval from the Centers for Medicare & Medicaid Services (CMS) on May 9, 2016 for a waiver to provide coverage for children and pregnant women with incomes up to 400% of the Federal Poverty Level (FPL) impacted by Flint water, and the Department is continuing outreach and enrollment efforts among individuals eligible for coverage. On November 14, 2016, MDHHS received CMS approval for a State Plan Amendment to allow Michigan to implement a new health services initiative (HSI) for the enhancement and expansion of the current lead abatement program, effective January 1, 2017. As part of this expansion, the state will provide coordinated and targeted lead abatement services to eligible properties in the impacted areas of Flint, Michigan and other areas within the State of Michigan. As of February 16, 2017, 20 homes in Flint have received or are currently receiving lead abatement services, while 45 additional homes have been targeted for outreach. The

## **Medical Care Advisory Council**

Meeting Minutes

February 16, 2017

Page 3

Department is also working to identify additional communities for lead abatement services. A residence located in Flint or other targeted community identified by MDHHS may be eligible for lead abatement services if a Medicaid or Children's Health Insurance Program (CHIP)-eligible child or pregnant woman lives in the home.

### **Medicaid Managed Care**

#### **Provider Surveys**

The MHP provider survey that was discussed at the previous MCAC meeting has now been finalized. To conduct the survey, MDHHS will randomly select providers to complete surveys related to their experience working with a specific MHP. If a provider completes the survey for the MHP to which they are assigned, they may complete additional surveys for any MHP they choose. The survey will be distributed to providers electronically by February 28, 2017.

The Department also plans to conduct a phone survey in March 2017 related to beneficiaries' experiences using Medicaid NEMT services. In addition, the Michigan Health Endowment fund has provided a grant to the Michigan League for Public Policy to study various issues related to Medicaid NEMT services.

#### **Healthy Kids Dental Bid**

MDHHS is preparing to release a Request for Proposal (RFP) for a new *Healthy Kids Dental* contract, and is aiming to issue contracts to more than one statewide vendor. Kathy Stiffler reported that the RFP has been delayed from its initial planned release, and that the new contract is not likely to be in effect by October 1, 2017 as discussed at the previous MCAC meeting. In response to a concern raised by a meeting attendee, MDHHS staff indicated that while the goal in seeking more than one vendor is to provide greater access to services, contracts will only be awarded to vendors that have an adequate provider network.

#### **Health Insurance Claims Assessment (HICA) Tax**

In 2016, Governor Snyder vetoed legislation to reconfigure the way Michigan's 6% use tax on Health Maintenance Organizations (HMOs) is utilized. CMS has disallowed the use tax, and it was scheduled to sunset on December 31, 2016. Chris Priest reported that following the previous MCAC meeting, the Michigan House and Senate passed legislation placing a moratorium on the use tax in order to implement the CMS requirement. Legislation to reconfigure the way the use tax is utilized has been re-introduced in the state Senate, with the understanding that the State plans to discuss the details of a potential replacement with CMS after the new administration's leadership is in place.

## **Medical Care Advisory Council**

Meeting Minutes

February 16, 2017

Page 4

### **Other**

A meeting attendee requested information on the Department's treatment of Substance Use Disorder (SUD) services. In response, MDHHS staff and meeting attendees discussed several programs within the Medical Services Administration and Behavioral Health and Developmental Disabilities Administration that have been developed for the treatment of SUD.

### **Healthy Michigan Plan**

#### **Second Waiver Update (MI Health Account, Marketplace Protocol, Healthy Behaviors)**

Under the terms of the second waiver, beginning April 1, 2018, Healthy Michigan Plan beneficiaries with incomes above 100% of the FPL who do not meet the criteria for "Medically Frail" and who have not completed a Health Risk Assessment (HRA) must leave the Healthy Michigan Plan and receive coverage from the Federally Facilitated Marketplace (FFM). Kathy Stiffler reported that MDHHS has released guidance to the health plans related to eligibility criteria for members of the Healthy Michigan Plan to receive services on the FFM, and that MDHHS is continuing to work with the Department of Insurance and Financial Services (DIFS) to develop coverage parameters for the health plans that serve this population. MDHHS will not require health plans on the FFM to develop a new product specific to Healthy Michigan Plan beneficiaries, but will instead allow the plans to use existing products to provide services to this population, and sign a Memorandum of Understanding (MOU) to implement special coverage provisions required by the second waiver. Approximately 125,000 Healthy Michigan Plan beneficiaries currently have incomes above 100% of the FPL.

The Department is also working to update the Healthy Behavior Protocols and MI Health Account Statement. The revised MI Health Account Statements will be sent to Healthy Michigan Plan beneficiaries beginning April 1, 2017.

A meeting attendee raised a concern regarding the online MI Health Account Portal by reporting that a beneficiary is charged an additional fee if their bank account information is entered incorrectly when attempting to pay their bill. MDHHS staff indicated they would check into this concern.

### **Behavioral Health Updates**

#### **PA 298 – Models**

Lynda Zeller introduced Jon Villasurda as the new State Assistant Administrator for the Behavioral Health and Developmental Disabilities Administration, and gave an update on the Stakeholder 298 work group process that was convened to discuss the integration of behavioral health and physical health services. As of February 16, 2017, the work group process is nearly complete, and as a result of the work group's efforts, the Department

## **Medical Care Advisory Council**

Meeting Minutes

February 16, 2017

Page 5

submitted an interim report to the legislature containing 70 recommendations in 13 categories to improve behavioral health and physical health outcomes. MDHHS is currently working to complete financial models for the implementation of the group's recommendations, which are due to the legislature on March 15, 2017. A Stakeholder forum is also planned for February 24, 2017 to discuss the work group process. The interim legislative report will be posted for public comment beginning at 3:00 p.m. on February 16, 2017 until February 28, 2017.

Following the public comment period, MDHHS will submit a final report to the legislature that will contain the group's 70 recommendations, financial models and service delivery models. After the submission of the final report, the Department will continue to discuss benchmarks and outcomes for the implementation of the report's recommendations with the legislature.

### **1115 Waiver Status**

MDHHS submitted a Section 1115 waiver to CMS in July 2016 to allow the administration of behavioral health services under a single waiver authority. The Department is continuing to work through the approval process with CMS, and MDHHS staff noted that conversations with their federal partners have been constructive.

### **Other**

On February 17, 2017, MDHHS will submit the state's response to the Substance Abuse and Mental Health Services Administration's (SAMHSA) Opioid State Targeted Response (STR) grant. The grant is made available only to states based on demographics, and will award a multi-year grant of \$16 million to promote the recommendations of the Opioid Commission Report and the goals of the new opioid commission. The five areas outlined in the report include prevention, treatment, policy and outcomes, regulation, and enforcement.

### **State Innovation Model (SIM)**

On January 1, 2017, the health plans began making payments to providers under the SIM program. Providers were previously reimbursed for these services as part of the Michigan Primary Care Transformation (MiPCT) initiative. Chris Priest also reported that Tom Curtis, who previously worked on the SIM project in the Policy, Planning & Legislative Services Administration, has been hired as the Quality Improvement and Program Development section manager within the Managed Care Plan Division of the Medical Services Administration.

On February 15, 2017, the Medicaid MiPCT evaluation team presented the Medicaid evaluation results of the MiPCT pilot to the MHPs. MiPCT formed the basis for the Patient-Centered Medical Home (PCMH) model within SIM, and the results of the evaluation demonstrated improved outcomes and costs among the high-risk population. Kathy Stiffler offered to share the evaluation results with meeting attendees.

## Medical Care Advisory Council

Meeting Minutes

February 16, 2017

Page 6

### Long-Term Care Services and Supports Updates

Brian Barrie provided an update on several topics related to long-term care services and supports, which include:

- The federal comment period for Michigan's Section 1115 Brain Injury Waiver ended on February 12, 2017, and MDHHS has received CMS approval for its implementation effective April 1, 2017.
- MDHHS established a pilot program to coordinate NEMT services through the MI Choice Waiver agencies, which decreased NEMT prior authorization decisions for beneficiaries from two and a half weeks to approximately 20 minutes in the pilot regions. The Department has received CMS approval for a waiver amendment to expand the program statewide effective April 1, 2017, and is now working toward implementation.
- MDHHS is revising the redetermination process for the home help program by eliminating the requirement that certain beneficiaries whose circumstances are not expected to change submit a Medical Needs Assessment Form (DHS-54A) upon eligibility redetermination.
- MDHHS is working to improve the assessment process for home help program beneficiaries who have complex care needs.
- MDHHS is developing a quality initiative for the Adult Protective Services program in order to better assess outcomes for its beneficiaries.
- MDHHS is in the process of moving the Level of Care Determination (LOCD) operation from the Bridges system into CHAMPS, which will provide the Department with the opportunity to design and implement changes to the LOCD process based on recommendations from the LOCD stakeholder group that met in 2015.
- MDHHS is working with a design team to develop a sustainable program model for nursing facility transitions. The design team has identified 18 core values for the new system to follow, and four action teams have been created to address the pre-nursing facility transition phase, transition phase, post-transition phase, and policy implications of the new sustainable program model.
- Design teams will also begin work in the near future to address changes to Michigan Rehabilitation Services, the Preadmission Screening and Annual Resident Review (PASARR) assessment, the nursing facility admission and discharge processes, person-centered planning, and quality within the Michigan Veterans Administration (VA) homes.

MDHHS staff and meeting attendees discussed at length the importance of incorporating beneficiary input into the process of designing changes to the long-term care services and supports initiatives highlighted above, in order to ensure that the needs of consumers are being met.

## **Medical Care Advisory Council**

Meeting Minutes

February 16, 2017

Page 7

### **Policy Updates**

A policy bulletin handout was distributed to attendees, and several updates were discussed.

The meeting was adjourned at 4:00 p.m.

**Next Meeting: Tuesday, May 23, 2017**