

## Medical Care Advisory Council

### Minutes

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**Date:** Tuesday, May 27, 2014

**Time:** 1:00 – 4:30 p.m.

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

**Attendees:** **Council Members:** Jan Hudson, Marilyn Litka-Klein, Amy Zaagman, William Mayer, Elmer Cerano, Jeff Wieferich, Amy Hundley, Roger Anderson, Andrew Farmer, Cheryl Bupp, Eric Roads for Larry Wagenknecht, David Lalumia, Alison Hirschel, Barry Cargill, Pam Lupo, Cindy Schnetzler, Jackie Doig, Priscilla Cheever, Doug Patterson for Kim Sibilsy, Robin Reynolds, Kim Singh, Linda Vale

**Staff:** Steve Fitton, Brian Keisling, Monica Kwasnik, Cindy Linn, Marie LaPres, Jackie Prokop, Pam Diebolt, Kathy Stiffler, Debera Eggleston, Dick Miles

### Welcome and Introductions

Jan Hudson opened the meeting and introductions were made.

### Affordable Care Act Implementation

#### Healthy Michigan Plan

#### **Enrollment Update, including catch-up processing**

Enrollment in the Healthy Michigan Plan is above projection at 269,473 individuals. The population is fairly young; 43.5% of those found to be eligible are under the age of 35. The Michigan Department of Community Health (MDCH) continues to address any concerns there may be in regards to enrollment and the eligibility system. Oakland and Livingston Counties have lower enrollment than surrounding areas. Early implementation issues identified include:

- Plan First! terminations, reprocessing and needed system changes,
- Legal immigrants being incorrectly approved for ESO Medicaid,
- 5% disregard not being correctly applied,
- Issues with coverage for pregnant teens

If the Modified Adjusted Gross Income (MAGI) application is filled out electronically with no missing fields, it is consistently returning a result in less than 10 seconds. Individuals can begin to receive services the day they receive an approval. The mihealth cards and enrollment packets have been delivered to beneficiaries within a week of the application approval. MDCH reports that call volumes to the help line are very high, 900 calls/hour but hold times have been manageable with the addition of 50 staff members.

#### **Protocols – Healthy Behaviors and MI Health Account**

The Department is in the process of submitting the Healthy Behaviors and MI Health Account protocols to the Centers for Medicare and Medicaid Services (CMS). Approximately 4 weeks ago, MDCH released a public notice and sent out e-mails to staff and Medical Care Advisory Council members requesting input on the draft protocols.

The MI Health Account will be operationalized on October 1, 2014. The MI Health Account removes the majority of cost sharing at the point of service and replaces it with an accounting, payment, and education fund that the Department is working to implement. For health plan covered services, copayments will be paid through the MI Health Account, removing providers from that function. Individuals with income above 100% of the Federal Poverty Level, a small percentage of enrollees to date, will also contribute an additional 2% of income to the MI Health Account.

Payments to the account will be made monthly. The goal of the MI Health Account is to engage and inform individuals about health care costs by sending out health account statements.

Michigan Public Act 107 of 2013 calls for provisions encouraging beneficiaries to engage in or maintain Healthy Behaviors thus allowing contributions to be reduced. With input from stakeholders and health plans, the Health Risk Assessment (HRA) was developed. Once an applicant is approved for the Healthy Michigan Plan and a health plan is chosen, the beneficiary will be asked the first 10 questions from the HRA by Michigan Enrolls. The information provided to Michigan Enrolls is given to the health plan that was chosen by the beneficiary, who can then determine any further action needed. When the beneficiary goes to their Primary Care Physician (PCP) for a visit, the provider will then complete the full HRA. For the Healthy Behaviors incentives to be processed, the PCP must complete the attestation form in the HRA.

The Council discussed the MI Health Account and Healthy Behaviors at length.

#### **Expedited Enrollment Waiver for Supplemental Nutrition Assistance Program (SNAP) and Parents**

The waiver was recently signed by the Medical Services Administration and has been sent to CMS. The waiver will allow an expedited enrollment process for the Healthy Michigan Plan for recipients of SNAP benefits and parents of Medicaid-eligible children.

#### **Operational Waivers Update**

The Department reports that all three (enrollment and eligibility, alternate benefit plan, and 100% federal funding) State Plan Amendments (SPAs) required for the Healthy Michigan Plan have been approved by CMS.

#### **Plan First! Termination**

Concern was expressed about the termination of the Plan First! Program, access to services for those who relied on that program, and issues with Healthy Michigan Plan enrollment.

#### **Community Mental Health (CMH) Funding and Transition Issues**

There were many concerns raised and a long discussion concerning the transition of CMH clients to the Healthy Michigan Plan. The variation in services from CMH to CMH adds confusion. The Department explained the payment process and their intent to forward fund as much as possible to keep at least as many dollars flowing into the system as previously. Lynda Zeller requested stories of those who were losing services to understand what services are being discontinued, and offered to work with CMH's to resolve issues.

#### **Dual Eligibles Integration Project – Update and Review of MI Health Link Quality Strategy**

The Memorandum of Understanding (MOU) was approved by CMS at the beginning of April 2014 which gives the Department opportunity to move forward with the project. The Department is on target for a phased implementation beginning January 1, 2015 in the first two regions: the eight counties in the southwest part of the state, and the Upper Peninsula; to be followed by Macomb and Wayne Counties three months later. Implementation dates are contingent upon CMS approving the capitation rates so

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that the waivers can be completed. The Department is working with the actuary on rate development. MDCH is pleased with the progress that is being made with the Dual Eligibles Integration Project in view of the complexity of the project.

The Department is in the process of developing the three-way contract among the Integrated Care Organizations (ICOs), MDCH, and CMS. The contract must be signed by October 7, 2014 in order to meet the timelines for implementation on January 1, 2015.

Dick Miles requested council member input on the MI Health Link Quality Strategy document. This document was sent with the meeting agenda via e-mail. For questions or comments on this document, send an e-mail to the MDCH Integrated Care mailbox at [integratedcare@michigan.gov](mailto:integratedcare@michigan.gov). Dick explained that MDCH is also looking for public input on the Quality Strategies. A public forum will be held on June 4, 2014 at the Macomb County Intermediate School District (ISD).

### **FY 2015 Budget**

Steve reported that, roads, Detroit bankruptcy, and the Health Insurance Claims Assessment (HICA) and Use Tax issues are top budget priorities and must be resolved before funding targets can be set. Unresolved major issues in the MDCH budget include:

- actuarially sound rates for Health Maintenance Organizations (HMOs),
- small and rural hospital pool, and
- funding to keep primary care rates near Medicare and from falling back to previous rates. Jan Hudson will draft a letter in support of continuing the increased primary care rate increase at whatever level the Legislature can fund.

### **ER High Utilizers Project – Update**

A High Utilizers Project handout was shared with the Council members. The initial symposium was held in November 2013 to discuss the overuse and misutilization of Emergency Room (ER) visits. Two patient populations were identified at the symposium and data was collected to help identify reasons for high ER utilization. It was discovered that 66% of Medicaid recipients are not high utilizers, but 6% have 5 or more visits in a year.

After the symposium, three work groups were established.

- Coordination and Integration of Care
- Innovations and Reimbursement
- Preventable ER Use

A forum will be held on June 5, 2014 at the Michigan State University Union Building to continue the ongoing work group activities. The forum will include a presentation of the findings from each of the work groups and the Council will receive feedback on those findings.

A follow-up report to the Legislature describing the main issues and broad recommendations must be completed by December 31, 2015.

Steve raised the issue of whether there can be significant cost savings from reduced ER use in view of hospital cost structures and their methods for allocating costs.

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### **Policy Updates**

A policy update handout was given to each attendee.

MSA 14-06 – This policy was issued on February 27, 2014. The policy is the quarterly update bulletin and also included information regarding the new Document Management Portal in CHAMPS. This portal will be another option to upload documents in addition to the EZ Link portal. There is a tutorial on the new Document Management Portal at [www.michigan.gov/medicaidproviders](http://www.michigan.gov/medicaidproviders).

1328-EPSDT - This policy is out for its third public comment until June 12, 2014. The policy will result in a new Early and Periodic Screening, Diagnosis and Treatment (EPSDT) chapter for the Medicaid Provider Manual and will include the most recent American Academy of Pediatrics (AAP) Periodicity recommendations.

1421-DME – This policy is out for public comment until June 6, 2014. This is a follow-up to a policy that was issued last year regarding coverage of wearable cardioverter defibrillators.

**Next Meeting: August 13, 2014, 1:00 p.m. – 4:00 p.m. at the Michigan Public Health Institute (MPHI)**