



State Medical Assistance and Services Advisory Council

225 E. 16th Street
Denver, Colorado 80203

January 22, 2014
6:00pm – 7:45pm

MINUTES

ATTENDING:

Council Present: Andrew Davis, J. Scott Ellis (via phone), Rebecca Lefebvre, Peter McNally, An Nguyen, Ruth O'Brien, Blaine Olsen, Louise Vail, Victoria Vowel, Blair Wyles

Council Absent: Robert Bremer, Theresa McCoy, Nancy Stokes, Mark Thrun

HCPF Representatives: Judy Zerzan, Patricia Connally

CDPHE Representative: Steve Holloway

HCPF Presenters: Richard Delaney, Marivel Guadarrama, MaryKathryn Hurd

Guests: Gerrie Frohne, Gretchen Mills

Meeting called to order at 6:00 p.m. November Minutes approved.

Prevention A&B Benefits

Richard Delaney presented on prevention A& B Benefits. Beginning January 1, 2014, Medicaid expanded to cover all services identified on the United States Preventive Services Task Force, A and B recommendations. Colorado covered most of the services as part of its state plan. For some services and counseling codes there is no procedure code.

A requirement of the Accountable Care Act for the expansion population was that preventive services had to be provided without a co-pay and we determined to use code A for all pertinent service codes for all populations. In order to receive an enhanced reimbursement from the federal government it was required that we cover all A and B recommendations.

We will instruct providers on how to use a modifier on claims. Modifier 33 will identify that a service is a preventive service and remove the co-pay and adjustments will be made to the claims process. The use of the modifier will allow us to track the utilization of preventive services some of which can be preventive, diagnostic or treatment services.

Modifier 33 will let us know when it is being used as a preventive service and we will track them and reach out to those providers whose patients do not seem to be getting as many preventive services. We are working with the Regional Care Collaborative Organizations (RCCOs) to make it a priority with their practices. Providers using the coding will receive a higher reimbursement.

Guidelines will be developed for the codes using modifier 33 and define what skills are necessary to bill for counseling codes: healthy diet, tobacco cessation and obesity. Tobacco cessation counseling is now open to any Medicaid client that smokes. For pregnant women there are restrictions on who can provide counseling and they have to be skilled in tobacco cessation counseling. HCPF will work with the Colorado Department of Public Health and Environment (CDPHE) on obesity prevention.

Legislative Update

MaryKathryn Hurd presented a legislative update. There are currently three legislative initiatives HCPF is moving forward as agency bills.

SB 14-67 Aligning State Medicaid Eligibility Categories with Federal Law

This legislation will consolidate Colorado's eligibility categories (now obsolete under federal law) into four categories with standardized age and income limits. The four categories are: children, pregnant women, parents and caretakers, and adults. This legislation will not affect current eligibility requirements or the services clients receive. This bill has a lot of support and passed out of first committee.

Joint Budget Committee (JBC) bill-Continuation of Spending Authority

Technical in nature, this legislation is a continuation of the Department's ability to over expend what our appropriation is from the state level. If an individual comes to receive services we cannot turn them and we must provide the services. That spending authority is listed in our state statute and it is federally required. There is a sunset on the law so the general assembly can review it and every seven years we request an extension of the law. We do not anticipate a problem with this being extended because it is in federal law.

Joint Budget Committee (JBC) bill-Transfer of Authority

This legislation is a continuation of the Department's ability to transfer Medicaid Funds to the Department of Human Services for administering programs paid for by Medicaid. We do not anticipate any issues with this being passed.

Bills that are not being carried by the Department but affect the department:

HB14-1045 Breast and Cervical Cancer Program Continuation

The Medicaid program for Breast and Cervical cancer expires this year. This bill would extend the repeal date by 5 years. Approximately 400 women who are at 250 percent of federal poverty level or below need these services. We have been working with Komen Foundation-Denver. The proposed program will be re-evaluated in five years. There is a Breast and Cervical Cancer Fund that will be funding this and will receive a 65% federal match.

Developmental Disability Waitlist

HB 14-1051 that will outline an intellectual development disability strategic plan. Division of Development Disability is moving to HCPF and move will be completed in March. Coming up with report every November to present to the General Assembly and Joint Budget Committee outlining the waitlists for each waiver. The department will need to come up with a plan of what are the costs involving buying down the waitlist by 2020.

Restricting any general fund dollars for Medicaid Expansion: This legislation restricts the use of any general fund dollars for Medicaid expansion. If general fund dollars are used it would repeal the expansion.

HB 14-1115 would allow individuals on Medicaid to purchase plans through the exchange with Medicaid paying for the premiums. Some states that did not expand Medicaid have tried this plan.

Cost Containment Commission legislation specific to healthcare cost containment. This has not yet been introduced as legislation.

Expansion Update

Marivel Guadarrama presented an expansion update. There were over 86,400 enrollments into Medicaid through the expansion since January 1. The online application process continues to be monitored and modified in order to improve the application process. Client documentation verification is done by interfacing with other agencies (federal and state).

Tools are being made available for both providers and consumers to assist them in navigating the application process. Colorado is very proud to have a 60-70% real time eligibility rate which is one of the highest in the nation.

Access to benefits has increased as evidenced by increased phone calls to providers and enrollment brokers from our clients. Those who are denied eligibility are directed to Connect for Health (the marketplace) to select a plan that works for them. Some providers are having to be creative and provide additional ways to walk their clients through the application process, especially those that are eligible but not enrolled.

Provider Rate Increase

Judy Zerzan presented on provider rate increases. Last year there was a 2% across the board rate increase and this year there is a budget request for a 1% across the board increase and a .5% (approximately \$17 million) increase for strategically targeted providers that provide specialty services. Also looking at raising certain code rates to 80% of Medicare, for example, colonoscopy is currently reimbursed at \$40 and costs a lot more than that and will benefit providers and potentially provide better access for clients. The department will use the targeted increases to see what will give value and improve health of the client.

Public comment is being accepted on how to expend the .5%. Conversations with specialists have been started as well. Ideas are welcome and the deadline for response is January 31. If this budget request passes through JBC there will be a very short turnaround time to use the funding so proposals cannot be system changes or things that will require CMS approval.

HCPF Joint Budget Committee Presentation

Judy Zerzan presented on HCPF presentation to the JBC. HCPF's mission is to improve health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.

Colorado Medicaid statistics as of November 2013: There are 754,000 Medicaid clients; 59,000 children and pregnant women in CHP+; 56% of Medicaid clients are children under age 20; 58% of our clients are female; Medicaid pays for 4 of 10 births; 15% clients live in rural area; 17% live in Denver County.

Our total budget request was 7.6 billion which is a big increase from last year due to increase in federal funds for the expansion population. The breakdown of that amount is 58% in federal funds, 30% general fund and 13% cash funds. HCPF did not request any new FTEs this budget cycle.

Medicaid case load and expenditures: 56% children; 23% low income adults (vast majority is pregnant women); 16 ½ % older adults and people with disabilities; 55% spent on older adults and people with disabilities; 20% low income adults; 20% children; about 80,000 people are dual eligible. Very close to being done with negotiations with CMS on the Medicare/Medicaid demonstration which when completed we will be rolling those who are dual eligible into the ACC.

Achievements

Application process: Medicaid expansion-intake into eligibility has been successful.

Accountable Care Collaborative (ACC) Goals and Results: One goal was to enroll 200,000 and as of December 15th 400,000 were enrolled. The new population is being enrolled into the ACC automatically and they are given the option to opt out. The opt out rate is very low. Working on improving health and decreasing cost.

Shared savings implementation: We have state plan amendment that is before CMS about how do we share savings with the RCCO's and providers. \$1.1 million given to Providers and RCCOs for meeting performance metrics.

Medicare-Medicaid enrollees implementation: The plan was submitted in May 2013 and we are still working with CMS on implementation. Hoping to have operational by Summer 2014.

HB12-1281 payment reform implementation: Rocky Mountain Health Plans (RMHP) pilot project (global payment) was selected and pilot will begin in July 2014.

ACC Highlights

Submitted report to legislature in November stating (1) we reduced high cost imaging by 15 to 20%, (2) reduced hospital readmissions by 25% and (3) we slowed the growth in emergency room visits compared to our fee-for-service population. Emergency room visits continue to be a challenge. The ACC in its second year saved \$44 million and when you take out the invested costs of primary care, RCCO's and Statewide Data and Analytics Contractor (SDAC) there is a net savings of \$6 million. The ACC is still in development and continues to make progress and there is opportunity for shared savings and the improvement of the health of our clients.

Paying for value: We are currently through the ACC having a per member per month for primary care providers (PCP) and performance incentives for the RCCOs and the PCPs and are working on payment reform pilots with RMHP with global payment and shared savings. For the future we are looking at new ways to pay for care besides fee for service, global budgets, and bundled payments.

We have successfully re-procured our Medicaid Management Information System (MMIS). The new vendor is HP Enterprise Services. We are currently in contract negotiations with them and there will be an overlap of the new and old system as we build the new. New system will be implemented in 2016.

A Request for Proposal (RFP) is under evaluation to re-procure the pharmacy system. Also have a RFP out to restructure our case management systems and information systems.

Adult dental benefit with the utilization of the \$1,000 cap is beginning in April 2014. We are working to enroll more dental providers and accept hygienists as providers.

We now have a Substance Use benefit that became available on January 1st. There was very limited out-patient benefits and this expands the benefit and increases limits on treatment and it will be managed by our behavioral health organizations (BHOs). BHOs were not previously involved in substance use treatment and we are broadening access to these services for our clients.

We are continually redesigning Long Term Services and Support (LTSS). The Community Living and Advisory Group is close to making recommendations.

Personal Care Update

Judy Zerzan presented on personal care tool. This tool grew out of the revision to Children's Home Health pediatric assessment tool. There was a need for personal care to be made available for children. Care for things that skilled care is not needed for. We are working through the benefits collaborative process and fast tracking implementation of the benefit so we can get children immediate care and we will tweak it as we go. After the personal care tool is set up then we will look into autism benefits.

Round Robin

Blaine Olsen - Medicaid patients need better access to specialty care providers. Recruit more specialty care providers.

Davis – Hired staff to work with clients to assist in getting them enrolled. Will try to circumvent the obstacles preventing this and report on the status next month.

Blair Wyles – Community Centered Boards (CCB) should be more involved in the ACC process and/or trained about the available resources.

The meeting adjourned