**Illinois Department of Healthcare and Family Services**
**Medicaid Advisory Committee**
**March 19, 2010**

401 S. Clinton Street, Chicago, Illinois
201 S. Grand Avenue East, Springfield, Illinois

**Members Present**
Eli Pick, Chairman
Susan Hayes Gordon, Children's Memorial Hospital
Myrtis Sullivan, DHS
Robyn Gabel, IMCHC
John Shlofrock, Barton Management
Mary Driscoll, DPH
Karen Moredock, DCFS

**Members Absent**
Robert Anselmo, R.Ph.
Pedro A. Poma, M.D.
Kim Mitroka, Christopher Rural Health
Neil Winston, M.D.
Richard Perry, D.D.S.

**HFS Staff**
James Parker
Lynne Thomas
Jamie Tripp
Amy Wallace
Mike Jones
Kelly Cunningham
James Monk

**Interested Parties**
Amanda Attaway, IL State Medical Society
Gary Fitzgerald, Harmony Health Plan
Chester Stroyny, APS Healthcare
Mandy Ungrittanon, Quest Diagnostics
Robin Scott, Chicago DPH
Kristina Tomzik, Meridan Health Plan
Libby Brunsvold, Med Immune
Mary Capetillo, Lilly
Mike Lafond, Abbott
Kathy Bovid, Bristol Myers Squibb
Judy King
Tom Peter, MedImmune
Marvin Hazelwood, Consultant
John Bullard, Amgen
Gerri Clark, DSCC
Tom Jerkowitz, DSCC
Jo Ann Spoor, IL Hospital Association
Citseko Staples, Harmony/Wellcare
Lora McCurdy, IARF
Cassie Ayers, IARF

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## I. Call to Order

Chairman Pick called the meeting to order at 10:09 a.m.

## II. Introductions

Attendees in Chicago and Springfield introduced themselves.

Chairman Pick congratulated Robyn Gabel on her recent democratic primary victory for the 18th district of the state general assembly. The district is in Northeast Illinois.

## III. Review of the Minutes

The March, May, July, September and November minutes were approved.

## IV. Administrator's Report

James Parker, Deputy Administrator, Division of Medical Programs, provided the report.

The Governor has presented his FY 2011 budget and there is good news for HFS. There are no cuts in service, eligibility or rates in the budget for Medicaid. The ARRA providers maintain the same 30-day payment cycle. The non-ARAA providers are on a 60-day payment cycle. Two things control the payment cycle – appropriations and cash on hand. Without new revenues, cash flow could be a problem.

The only significant cut proposed for HFS is to the Illinois Cares Rx program for Medicare enrollees with wrap-around state benefits for prescription drugs. This represents a potential cut of about $70 million. Changes will likely require statutory action. The current proposal is to eliminate the subsidy during the initial period of coverage when Medicare covers 75% of expenses and the state pays 25%. There is also a need to reduce the state subsidy during the Donut Hole. The department will need to determine how much to reduce the subsidy to get the needed savings.

Mr. Parker was asked to comment on the anticipated impact of the federal healthcare reform legislation. He advised that the initial impact would be on the Illinois Department of Insurance. Under the expansion to Medicaid, HFS anticipates that four to six hundred thousand uninsured individuals, who are not categorically eligible for state insurance now, will become eligible. He stated there might be some negative impact with a restructuring of the pharmaceutical rebate. At Susan Hayes Gordon's request, Mr. Parker will provide an update on healthcare reform at the next MAC meeting.

## V. Old Business

1) **All Kids and FamilyCare update.** Lynne Thomas, Chief of the Bureau of All Kids, reported that the application processing time is now at 25 days. This is an improvement over the 32 days reported at the last meeting. Enrollment continues to grow. Ms. Thomas noted that there are no enrollment statistics being reported for this meeting as the department is in the process of creating a more comprehensive report. The plan is to post the enrollment statistics on the department's Web site.

There was discussion on the trend of the enrollment numbers increasing. There were estimated increases of more than two hundred thousand persons over the last year. Ms. Thomas stated that we have seen consistent growth in enrollment, but could not say there was a correlation with the downturn in the economy. Mr. Parker shared that enrollment numbers were up and he stated that, once finalized, the enrollment reports will be posted and updated weekly. Currently, work is being done to add new categories of eligibility to the reports and validate accuracy of the report programming.

Judy King advised that she has seen All Kids enrollment program statistics on the department's Web site by zip code and age groupings, however, the age groupings are different than those used for the CMS-416 annual report, also know as the EPSDT report. The Web site groupings are: age 0 through 1; 2-4; 5-11; 12-17, and 18 years of age. The CMS 416 report uses age groupings: less than 1; 1-2; 3-5; 6-9; 10-14; 15-18; and 19-20 years of age. Ms. King states that the age grouping differences make it difficult to do analysis. Also it is not possible to pull summary data by age group alone.

Mr. Parker explained that the program data for the department's Web site were grouped in two ways, either categorically eligible groups or funding source such as Title XIX versus non Title XIX. The funding source group is also separated by limited coverage like Illinois Healthy Women and the daycare subsidy program versus comprehensive coverage like Medicaid. Chairman Pick suggested that it might make sense to post data using the same grouping as the CMS 416 report.

2) **Primary Care Case Management (PCCM) activity.** Mr. Parker provided the update. Meeting participants received a handout (Attachment 1) showing the number of medical homes and client enrollments statewide as of March 11, 2010. He noted there are over 2 million eligible clients and over 1.9 million clients with a medical home.

Mr. Parker advised that the department is continuing the phase-in of the PCP claims edit requiring enrollees to go to their Primary Care Provider (PCP). The rollout started with the Northwest region in October 2009. The PCP edit was activated in Cook County including Chicago in February 2010 and will be rolled out for the rest of the state in April 2010.

He stated that there is a special rejection code providers receive if a bill is submitted by a PCP and the patient is not assigned to them and there isn't a referral in the system. The department then works with providers to get the appropriate referral in the system within the 60-day window, so claims can be paid.

Mr. Parker indicated that, in general, the percentage of rejected claims is low when compared to the total number of claims received by HFS and when the rejections are sorted by provider; the rejections were concentrated with a small number of PCPs. These included both Federally Qualified Health Centers (FQHCs) and individual doctors. Generally, the FQHCs have a better front-end process to determine if the patient is enrolled with them.

Robin Scott advised that the Chicago Department of Public Health has a clinic with a name that patients confuse with another similar named clinic located on the same street. Inadvertently, the client enrollment broker may enroll patients in the wrong clinic. She asked with whom she might discuss this to ensure that patients are enrolled with the clinic they want. Mr. Parker suggested that she speak with Amy Harris in HFS' Bureau of Managed Care.

Ms. King asked if the PCCM program initiative has led to an increase in the number of physicians in specialty pediatrics. She stated that there was anticipation of an increased number of providers with increases in payment for specialty services for children.
Mr. Parker stated that the department had not gauged the impact as yet.

Ms. Hayes Gordon advised that providers were happy to see the increased payment for a handful of specialty service codes but this was only a first step and not enough to say there has been a change in access. She added that if anything, for other reasons, there may be a reverse trend. She noted that the wait time to see a pediatric specialist is astonishing and as high as 90 days.

Mary Driscoll added that often patients are referred to Stroger Hospital, as it is difficult to find the needed specialty care.

3) **Disease Management (DM).** Mr. Parker stated nothing new to report for this period. Asked about DM reports, Mr. Parker advised that the third year DM reconciliation report would come due soon. He noted that last year the program realized savings of about $104 million and for this year the anticipated savings would be higher.

Ms. King asked if there were baseline data available regarding services for persons diagnosed with mental illness. She asked how many people with mental health treatment needs are being served and what portion of medical homes is caring for these individuals.

Mr. Parker stated that every person unless exempt has a medical home. Adults are targeted for enrollment in DM. He stated that DM enrollment is not diagnosis based but believed about 40% of the DM enrollees have been identified with mental health treatment needs.

Chairman Pick and Ms. Driscoll asked if it possible to get someone from McKesson Health Solutions to report on the DM program at the next meeting. Ms. Driscoll was also interested in getting someone from PCCM to report. She believed it would be beneficial for the group to hear about the quality improvement activities going on with the DM and PCCM initiatives. Mr. Parker stated he would have someone present information on the DM program at the next MAC meeting.

Robyn Gabel asked if the department was still considering enrollment of high-risk pregnant women. Mr. Parker responded that this population won't be added under the existing contract, as the services are outside the scope of the contract. However, the department is gathering information for the development of a new case management program targeted for high-risk pregnant women.

4) **Medicare Part D.** Mr. Parker stated that there is no report for this period but advised that proposed cuts to Illinois Cares Rx are a major concern for the department.

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5) **Update on Integrated Care RFP.** Mr. Parker provided the update by summarizing the procurement activities.

On February 5, 2010, HFS issued an RFP requesting bids for two Managed Care Organizations (MCOs) to provide the full spectrum of Medicaid covered services to older adults and adults with disabilities who are not eligible for Medicare residing in Cook collar counties and suburban Cook County under an integrated care delivery system. The bidders' conference was held with interest from ten primary bidders. There was a meeting in Chicago on Tuesday for prime

bidders to network with potential subcontractors. The department has published an initial Q & A document with plans to publish a second Q & A with rate information. The department continues to work with interested parties and stakeholders.

Once the contracts are awarded, the pilot program will be implemented in phases or service packages. The first phase or service will focus on traditional medical services, with later phases/service packages coordinating long-term care.

Each bidder must also give references. The department has asked bidders for all current contract information to contact persons for whom the bidder has not given a reference. The department may also complete on-site visits. The proposals must be submitted by May 14th. The start date is targeted for October 1st, but will likely be pushed back.

## VI. New Business

**1) 2010 meeting dates.** Chairman Pick led the discussion. Meeting participants were provided the MAC 2010 schedule showing quarterly meeting dates of March 19th, June 18th, September 17th and November 19, 2010.

Ms. King objected to the proposal that the MAC meet only four times a year. She didn't agree with the rationale that fewer meetings would improve attendance. She believed it would be improper to vote on the meeting schedule via e-mail.

Chairman Pick advised that the interpretation of the department's attorney is that the meeting schedule is within the ability and purview of the committee. The department attorney has also approved the e-mail vote. Committee members voted to accept the new schedule.

**2) Open to Committee**

- Ms. King stated that she couldn't find postings for meetings about PCCM on the department's Web site. She would like to be included when notices for meetings are sent. Chairman Pick suggested that the department include in the MAC agenda a list of all subcommittees that meet and include the chairperson's name and the subcommittee's mission.

- Ms. Gabel recommended that the department review membership in the MAC as some terms have expired. She recommended that the department look for new members that could breathe new life into the committee. As identified in the by-laws, new members should include consumers. She and Mr. Parker were aware of a parent with a disabled child that wished to participate. Mr. Parker stated that the department is looking at potential candidates to join the MAC. He added that membership will be discussed at future meetings.

- Ms. King asked if a report could be provided on how many eye exam claims have been made for school age children in the state. She provided copies of a chart with eye exam compliance data for Cook County and Chicago Public Schools (CPS). She stated that the data is from the Illinois State Board of Education. She noted that compliance for CPS kindergarten age children is only 5%. She was concerned that the children were not receiving recommended eye exams. There was some discussion of how to segregate Medicaid data from the general school population and the possibility of using Medicaid claims data to identify children of kindergarten age. Mr. Parker stated he would see what data might be available for the next MAC meeting.

## VII. Subcommittee Reports

**Long Term Care (LTC)** There was no one from the department to report on the last meeting. Chairman Pick stated that he attended the meeting. He summarized the topics discussed as: Integrated Care update; Illinois Cares Rx cuts; Update on Home and Community Based Services waivers; and the Governors Task Force on nursing home safety.

The task force has recommended better screenings to meet the needs of the LTC population and creation of a Home and Community Based Service waiver for the mentally ill population. It is anticipated that rule changes will be submitted in the near future (likely in the Fall) to implement these changes.

**Public Education Subcommittee** Robyn Gabel reported on the meeting held on March 15, 2010. She stated that four agenda items were discussed.

1) Survey of Uninsured Children – This survey will look at three geographic areas in the state for different factors such as uninsured children by income level and children's access to health insurance. The report is due by July 1, 2010.

2) Move to Permanent Medical Cards – This change is anticipated soon and should save the state money. Mr. Parker added that provider feedback is important as the MEDI system will be the primary way to determine if patients are eligible for medical coverage through HFS.

3) CHIPRA Outreach Projects – There are four providers with outreach grants from the federal CMS. Grantees advised that it has been difficult finding the uninsured children. There was also concern expressed about marketing by Medicaid HMOs. Some grantees believe that clients have a hard time understanding their healthcare choices. Mr. Parker added that all enrollments must go through the Client Enrollment Broker

4) MaxEnroll Project – HFS has a Robert Woods Johnson foundation grant to maximize the enrollment of uninsured children. There are four goals: 1) improve data capacity/management and use, 2) improve agency/staff eligibility systems processing accuracy and efficiency, 3) eliminate processes that cause unnecessary disruptions in coverage and, 4) enhance stakeholder involvement.

   Ms. Gabel shared that there was some concern with persons pushed from FamilyCare Share or Premium coverage to the Spenddown program. She was also hopeful about the department using more imaging of documents rather than hard copy as it would make it possible for agency staff to see proofs at different locations and allow for a more open door to eligibility.

Ms. Scott believed that some HMO representatives attend health fairs and call in enrollments from their cell phone.

Gary Fitzgerald, with the Harmony Health plan, stated that all marketing materials must be HFS approved. He advised that there is regular reporting on marketing to HFS and that online enrollment is limited to when the client enrollment broker is not available. The client enrollment broker staffs are employees of the department's vendor, Automated Health Systems.

Chairman Pick asked how someone could file a complaint regarding enrollment processing. It was explained that the enrollee could call the HMO customer service number or HFS' health benefits hotline. The department's managed care staff or inspector general's office may handle the complaint.

It was requested that HMO marketing materials be provided for review at the next MAC meeting.

**Pharmacy Subcommittee.** No report for this period.

**VIII.** The meeting was adjourned at 12:03 p.m. The next MAC meeting is scheduled for June 18, 2010.

## Statewide Medical Homes and Client Enrollments for March 11, 2010

| Number of Medical Homes* | Panel Size | Eligible Client Count | Clients Enrolled in IHC | Clients Enrolled in MCO | Total Clients with a Medical Home |
|---|---|---|---|---|---|
| 5,634 | 5,381,592 | 2,021,867 | 1,758,053 | 194,310 | 1,952,363 |

* FQHC/RHC/ERC Sites are counted as 1 Medical Home