Illinois Department of Healthcare and Family Services
Medicaid Advisory Committee
May 15, 2009

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

Members Present
Robert Anselmo, R.Ph.
Robyn Gabel, IMCHC
Susan Hayes Gordon, Children's Memorial Hosp.

Members Absent
Eli Pick, Chairman
John Shlofrock, Barton Mgt.
Pedro A. Poma, M.D.
Kim Mitroka, Christopher Rural Health
Neil Winston, M.D.
Myrtis Sullivan, DHS
Richard Perry, D.D.S.
Mary Driscoll, DPH
Karen Moredock, DCFS

HFS Staff
James Parker
Jacquetta Ellinger
Lynne Thomas
Deborah Saunders
Kelly Cunningham
Mike Jones
Jamie Tripp
Stephanie Hoover
Barb Ginder
Amy Wallace
Jamie Tripp
James Monk

Interested Parties
Michael Lafond, Abbott
Mandy Ungrittanon, Quest Diagnostics
Robin Scott, Chicago Dept of Public Health
Judy King
Dana Goheen, Legal Assistance Foundation
Marsha Hurn, Comprehensive Bleeding Disorders Center
Gerri Clark, DSCC
Kathy Bovid, Bristol Myers Squibb
George Hovanec, Consultant
Vince Champagne, DCFS
Marvin Hazelwood, Consultant
Citseko Staples, Harmony Health Plan

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I. Call to Order

Vice Chairperson, Gabel called the meeting to order at 10:05 a.m.

II. Introductions

Attendees in Chicago and Springfield introduced themselves.

Interested party, Judy King stated that under the Illinois Open Meetings Act (OMA) an agenda for the MAC (Medicaid Advisory Committee) meeting is required to be posted at the location where the meeting is to be held at least 48 hours in advance of the holding of the meeting. She stated that since there was no agenda for this meeting posted at this location, the meeting should be rescheduled until proper notice can be provided to the public.

Jacquetta Ellinger, Deputy Administrator for Policy Coordination, stated that the department had reviewed her request to reschedule and learned that OMA would require a meeting cancellation notice at least 10 days prior to the meeting date. The department determined the best course of action was to go forward with the meeting, but advise the committee to take no formal action. Ms. Ellinger stated that the department would ensure timely posting of the agenda for future meetings.

III. Review of the Minutes

The March minutes were not reviewed for lack of a quorum and in response to the complaint concerning the Open Meetings Act.

IV. Administrator's Report

James Parker, Deputy Administrator for Operations, provided the report.

2009 Legislative Session Update

1) Mr. Parker stated the department has requested a supplemental appropriation to pay a substantial amount of outstanding medical claims. The American Recovery and Reinvestment Act of 2009 (ARRA) requires that the department pay 90% of claims for practitioners, hospitals and nursing homes, within 30 days of receipt. The department has made good progress in making payments, but the state will still need to conduct short-term borrowing to obtain the additional money needed to meet the 30-day standard. By about May 22, 2009, the state plans to borrow $1 to 1.2 billion. This money would be dedicated to paying medical bills.

   In June 2009, the state may borrow an additional $1.2 billion to pay down the remainder of the outstanding medical bills. Mr. Parker believed the second borrowing request would not come until June so that the state could determine if there

would be revenues to pay back the loan. It is possible that if there were no new revenues, the second phase of borrowing would not occur.

2) The Governor has appointed a Taxpayer Action Board (TAB) to help identify the state's major fiscal and structural impediments and make recommendations to help solve these problems. This is essentially an advisory board. There is a subcommittee to examine the Medicaid program that is looking to see if changes could be made to make the program run more efficiently and to restrain the growth in liabilities. The subcommittee has looked at topics that include capitated managed care, moving persons from long term care to the community, pharmacy cost containment and reimbursement levels. There have been presentations to the subcommittee from a number of groups that include the Harmony Health Plan Illinois, Illinois Hospital Association, American Academy of Pediatrics and Shriver National Center on Poverty Law, as well as HFS.

   Mr. Parker stated that there should still be time for additional recommendations before the final report is completed by the end of May. More information is available at www.budget.illinois.gov/TAB

   The group discussed the department's role with the taxpayer action board. Mr. Parker stated that the department has worked with the subcommittee to help members understand the program.

   Jacquetta Ellinger, Deputy Administrator for Policy Coordination, stated that when the governor announced creation of the advisory board, he indicated that recommendations to reduce eligibility were off the table. However, cutbacks could be considered as a possible course of action after the federal limitations on eligibility reductions under ARRA expire at the end of the federal fiscal year 2010.

   Robert Anselmo asked if there would be information on disease management savings in the TAB report. He also referred to a recent medical business group study on health identifying savings in Chicago per diabetic patient of about $1,500 per year.

   Mr. Parker advised that department savings under the disease management program has been shared with the TAB subcommittee. The subcommittee looked primarily at capitated managed care but would also be looking at other components of managed care including disease management.

   Ms. Ellinger stated that persons with diabetes might already be included in the department's disease management program. She added that the department would like to develop an inter-conception care management program to improve birth outcomes and quality of care.

Susan Hayes Gordon asked if shell legislative bills are in place for implementing recommendations of the TAB. Robyn Gabel asked if the department knew of any plans to increase capitated managed care.

Mr. Parker advised that he was not aware of any shell bills to implement TAB recommendations, nor was he aware of any bill to expand capitated managed care.

Judy King asked if the department has submitted the 2008 annual report, federal CMS form 416. She asked if the department could provide the Cook County program evaluation data as outlined in the Memisovski v Maram consent decree. She advised that she had requested county specific data, however, her request was denied by the HPO (HIPAA Privacy Officer).

Ms. Ellinger stated that the CMS 416 report is in draft form and should be available soon. She advised that the department would bring the report to the MAC as soon as it is completed. As for the other information, the department is bound by the decisions of its privacy officer.

Robyn Gabel noted that previously the public could receive county specific data and then the HPO stopped this practice. Ms. Gabel suggested that with a new governor, perhaps the request should be made again.

V. Old Business

1) **All Kids and FamilyCare update-Attachments 1 and 2.** Enrollment statistics through March 31, 2009 were provided. Lynne Thomas, Chief of the Bureau of All Kids, stated that the department is continuing to see enrollment growth at a steady pace. About 65% of applications are received online. Application processing is at 17 days.

   Ms. Ellinger reported that the department has submitted a Title XXI state plan amendment to obtain federal matching funds for some children currently funded with only state funds. Under CHIPRA (Children's Health Insurance Program Reauthorization Act of 2009), the law allows, in certain circumstances, for federal funding of children in families with higher income. The department may also have to seek a rule change regarding cost sharing for affected families to obtain the federal revenue.

   Ms. Ellinger also noted that under CHIPRA, the department would be eligible for federal matching funds for immigrant children who are in the U.S. legally but who do not meet the requirement of being in that status for 5 years.

   Robyn Gabel asked if any news on CHIPRA outreach grants. She also asked why numbers for Moms & Babies and adult enrollment are not currently shown in the All Kids report.

Ms. Ellinger advised that the federal CMS has yet to provide details concerning distribution of CHIPRA outreach grants. She stated that the department should be able to resume reporting adult enrollment only after the FamilyCare expansion lawsuit is settled.

2) **Primary Care Case Management (PCCM) activity-Attachment 3.** Mr. Parker reviewed a new summary report showing primary care provider/site (PCP) potential eligibility for bonus payments. Eligibility is based on the number of the provider's patients that exceed the 50th percentile of the national average for each indicator. The indicator categories for bonus measurements are asthma, breast cancer, developmental screening, diabetes and immunization.

   The report shows that of 4,569 provider/sites, 4,123 will receive a bonus for one or more bonus measurements at one or more sites. The eligibility for bonuses is shown across all provider types from physicians to Encounter Rate Clinics (ERC), Rural Health Centers (RHC) and school based/linked health clinics. The department was pleased to see that physicians and FQHCs (Federally Qualified Health Centers) with large panels earned bonuses. The department will continue to look at incentives to ensure that positive outcomes continue. The department hopes to pay bonuses by the end of this fiscal year.

   There was group discussion on whether or not the incentives result in improved outcomes for patients and if perhaps the bonus metrics are set too low.

   Mr. Parker explained that the department used the 50th percentile on the HEDIS indicators thinking it would encourage most providers that their panels could show improvement. He added that the providers showed an increase in at least one bonus measurement but not in all measurement areas. The developmental screening indicator showed greater improvement than in other areas. The department intends to monitor the indicators over a 10-year period.

   The group was satisfied with this explanation.

3) **Disease Management (DM).** Mr. Parker stated that the second year report on savings as a result of the disease management program is completed. After payment of $32 million to our disease management vendor, McKesson Health Solutions, the department realized savings of $104 million. There were savings on services to disabled adults, parents and children with persistent asthma and in all populations that are frequent emergency room users. The potential for savings are greater in care management for persons with disabilities than for children as expenditures per person are greater for the latter population. The average cost to cover a child is about $1,500 per year while the average annual cost to cover an adult with disabilities is about $15,000. The department would like to expand disease management to make it

available to some of the HCBS (Home and Community Based Services) waiver populations.

4) **Medicare Part D.** Mr. Parker provided the update. He stated that the department has begun some discussions with United HealthCare (UHC) about next year's prescription drug plans. UHC asked about what they would need to map out as benefits in plans change from year to year. They wanted some input before taking their revised plans to the federal CMS.

5) **Senator Durbin's Response FMAP increase – Attachment 4.** Mr. Parker pointed out that Senator Durbin's letter thanking the MAC members for their support of increased FMAP for Illinois is included in the meeting handouts. The Senator's letter was written in response to the MAC's letter to all members of the Illinois Congressional delegation.

VI. New Business

Open to Committee

1) Ms. Gabel advised that she had spoken with Mary Driscoll regarding dental service utilization at Chicago Public Schools (CPS). Ms. Driscoll has received some of the data she requested but needs assistance in understanding the data. She plans to share the report with MAC members and interested parties.

2) The Statewide Medical Homes and Client Enrollments report was provided. In response to questions, Mr. Parker advised that the "Total Clients with a Medical Home" includes pending enrollments and the "Eligible Client Count" does not. Because of this, the Eligible Client Count is about 100,000 less than the Total Client number. He stated that the number of clients enrolled with a MCO (Managed Care Organization) has remained fairly constant over time. He added that enrollment in the new MCO is about 1,000 clients and there is room to enroll more individuals. He stated that the enrollment cap is based on the capacity of the MCO's Primary Care Provider network.

   Ms. Ellinger reported that the department is working on a survey project to better determine the number of uninsured children in Illinois. The primary researcher is Dianne Rucinski from the University of Illinois at Chicago. The department plans to add survey questions on having a medical home and access to specialty care.

VII. Subcommittee Reports

Long Term Care (LTC) No report for this period.

Public Education Subcommittee. Ms. Ellinger reported that the Public Education subcommittee was asked to review a new Health Benefits for Workers with Disabilities (HBWD) brochure. The brochure shows that the HBWD income eligibility standard has increased to 350% of the FPL and the asset standard has increased to $25,000.

The department has received a Robert Wood Johnson Foundation grant of about $1 million over 4 years to improve children's enrollment and retention in state health plans. There is a role for the Public Education subcommittee to work on this project later as it develops.

Pharmacy Subcommittee. No report for this period.

VIII. The group dispersed at 11:15 a.m. The next MAC meeting is scheduled for July 17, 2009.

Medicaid Advisory Committee
May 15, 2009
All Kids Report

Enrollment

- Enrollment data is attached. Enrollment data as of 03/31/09:
  a. 1,446,978 All Kids Assist (Up to 133% of FPL)
  b. 72,861 All Kids Rebate, Share, Premium Level 1 (133% to 200% of FPL)
  c. 70,923 All Kids expansion children

Web-based application capability

We implemented our web-based application statewide on August 11, 2005. Since then, we have received a total 196,838 web apps: 133,279 from the general public and 63,559 from AKAA's.

MAC 05/15/09

	10/31/2008		11/30/2008		12/31/2008		1/31/2009		2/28/2009	3/31/2009
	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Current Numbers	Current Numbers
Pre-expansion children	1,304,346	1,307,316	1,302,877	1,307,709	1,310,570	1,315,035	1,315,574	1,323,369	1,328,680	1,333,282
All Kids Phase I	106,808	107,041	108,459	108,847	109,750	110,241	110,825	111,781	112,837	113,696
All Kids Phase II	64,666	64,608	64,453	64,329	64,087	64,049	64,531	64,307	63,306	62,993
All Kids Phase III	8,632	8,627	8,898	8,884	9,141	9,133	9,625	9,593	9,660	9,868
All Kids Expansion	68,901	68,996	69,408	69,569	70,163	70,222	71,331	71,424	70,816	70,923
TOTAL	**1,553,353**	**1,556,588**	**1,554,095**	**1,559,338**	**1,563,711**	**1,568,680**	**1,571,886**	**1,580,474**	**1,585,299**	**1,590,762**
All Kids Assist	1,411,154	1,414,357	1,411,336	1,416,556	1,420,320	1,425,276	1,426,399	1,435,150	1,441,517	1,446,978
All Kids Rebate, Share, Premium Level 1	73,298	73,235	73,351	73,213	73,228	73,182	74,156	73,900	72,966	72,861
All Kids Expansion	68,901	68,996	69,408	69,569	70,163	70,222	71,331	71,424	70,816	70,923
Total	**1,553,353**	**1,556,588**	**1,554,095**	**1,559,338**	**1,563,711**	**1,568,680**	**1,571,886**	**1,580,474**	**1,585,299**	**1,590,762**

Provider/Site Summary – Based on Test Data

*Of the 4,569 unique providers/sites that could qualify for a bonus, 4,123 qualified (will receive a bonus) for one or more bonus measurement at one or more sites, this means 90% of all eligible PCPs will receive a bonus for 2008. In total, 4,430 sites will receive a bonus.

Providers/Sites that Qualify for a Bonus in One or More Quality Indicators

Provider Type	Provider Count	Site Count
010 – Physician	3,693	4,000
016 – Nurse Practitioners	22	22
030 – General Hospitals	3	3
040 – FQHC	195	195
043 – ERC	12	12
048 – RHC	193	193
056 – School Based / Linked Health Clinics	5	5
	4,123	4,430

*The top 25 qualifying providers / sites account for 12 FQHC sites, 3 RHCs, and 9 Physicians (PT 10) at 10 sites (one physician qualified in the top 25 at two sites)

- The top FQHC qualified with 1,129 eligible events.
- The top RHC qualified with 560 eligible events
- The top Physician, PT 10, qualified with 1,024 eligible events at one site. (Overall this physician will receive a bonus at three sites for 1,258 eligible events combined)

Overall, HFS looked at 362,036 unique clients under all 5 bonus measurements. For these clients there were 196,949 eligible events. Of these eligible events, 115,778 qualify for a bonus.

Enrollee Summary – Based on Test Data

Qualified Providers /Sites (Earning a Bonus)

Quality Indicator	Age Group	Eligible Enrollee Count	Qualified Enrollee Count (Hits)	Served Percent	Non-Qualified Enrollee Count	Non-Served Percent
Asthma	5-9 yrs	5,924	5,856	98.9%	68	1.1%
	10-17 yrs	6,180	6,053	97.9%	127	2.1%
	18-56 yrs	7,203	6,822	94.7%	381	5.3%
Breast Cancer	42-69 yrs	19,282	11,658	60.5%	7,624	39.5%
DevScreen	By 12 months	40,149	27,417	68.3%	12,732	31.7%
	Between 12 and 24 months	32,679	17,697	54.2%	14,982	45.8%
	Between 24 and 26 months	23,347	10,146	43.5%	13,201	56.5%
Diabetes	18-65 yrs	11,262	10,075	89.5%	1,187	10.5%
Immunization	By 24 months	27,332	20,054	73.4%	7,278	26.6%
Total Bonus Payment			115,778			

RICHARD J. DURBIN
ILLINOIS

COMMITTEE ON APPROPRIATIONS

COMMITTEE ON THE JUDICIARY

COMMITTEE ON RULES
AND ADMINISTRATION

ASSISTANT MAJORITY
LEADER

United States Senate

Washington, DC 20510–1304

March 16, 2009

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Eli Pick
Chairman
Illinois Medicaid Advisory Committee
201 South Grand Avenue East
Springfield, IL 62763-0002

Dear Eli Pick:

Thank you for contacting me about Medicaid funding in the economic stimulus bill. I appreciate hearing from you.

For many low-income Americans, Medicaid is the only source of health insurance. More than 50 million Americans, including 1.5 million in Illinois, rely on Medicaid for basic medical care, immunizations, prescription drugs, and necessary hospital care.

States are facing significant budget shortfalls. I have heard from many Illinois health care facilities that are struggling to provide care for Illinois' most vulnerable populations. I believe Medicaid hospitals are a vital part of our health care safety net. They deserve the assurance that they will be reimbursed promptly, fairly and adequately.

Congress took action to help states avoid or reduce Medicaid cuts in the economic stimulus bill that was passed in February 2009. The new law will bring $2.9 billion, over two years, in additional Medicaid funding, to the state of Illinois.

Medicaid provides many valuable services to needy Americans, but many doctors, hospitals, and nursing homes are not reimbursed at rates that fully reflect the true cost of providing care. It is my hope that this federal action will help the state avoid further cuts or budget shortfalls will compromise the ability of health care providers, including hospitals and nursing homes, to continue to serve Medicaid beneficiaries.

I will continue to fight to protect funding for the Medicaid program so that it can keep providing care for the most vulnerable members of our society.

Thank you again for sharing your concerns. Please feel free to keep in touch.

Sincerely,

Dick Durbin

Richard J. Durbin
United States Senator