

**Illinois Department of Healthcare and Family Services  
Medicaid Advisory Committee  
January 16, 2009**

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

**Members Present**

Mary Driscoll, DPH  
Robyn Gabel, IMCHC  
Jill Fraggos for Susan Hayes Gordon

**Members Absent**

Pedro A. Poma, M.D.  
Kim Mitroka, Christopher Rural Health  
Neil Winston, M.D.  
Myrtis Sullivan, DHS  
Eli Pick, Chairman  
John Shlofrock, Barton Mgt.  
Debra Kinsey, DCFS  
Richard Perry, D.D.S.  
Robert Anselmo, R.Ph.

**HFS Staff**

James Parker  
Lynne Thomas  
Kelly Cunningham  
Amy Wallace  
Jamie Tripp  
James Monk

**Interested Parties**

Mandy Ungrittanon, Quest Diagnostic  
Kathy Bovid, Bristol Myers Squibb  
Judy King  
Theresa Jolivette, Astra Zeneca  
Dana Goheen, Legal Assistance Foundation  
Sherry Weingart, UIC School of Public Health  
Robin Scott, Chicago Dept of Public Health  
Joseph Winalski, Biogen Idec  
Nancy Wilson, Genzyme  
Karen Moredock, DCFS  
Citseko Staples, Harmony Health Plan

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**I. Call to Order**

MAC member, Mary Driscoll called the meeting to order at 10:15 a.m.

**II. Introductions**

Attendees in Chicago and Springfield introduced themselves.

**III. Review of the Minutes**

The September 2008 and November 2008 minutes were not approved for lack of a quorum.

**IV. Administrator's Report**

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

**2008 Legislative Session Update**

- 1) Mr. Parker stated short-term borrowing of \$1.4 billion was completed in December. Out of that amount, about \$1 billion in medical bills were paid. The Comptroller's Office is currently paying bills pretty quickly.

The backlog was caused by cash flow problems at the Comptroller's Office. The reason for the backlog is either no cash or no appropriation to pay providers. Some providers with appropriation issues in particular long-term care providers; will soon see their appropriation expended for this fiscal year.

Appropriation wise, physician payments should be OK. Other providers will fall somewhere in between. The department may use transfer authority to move resources from one line item to another to even out the differences.

- 2) All regulatory pieces are in place for the Hospital Assessment program. However, the department still needs cash to make these payments. Payments would be \$128 million per month and retroactive to July 1, 2008. The department is working with the comptroller to get the cash to jump-start the program.
- 3) The FamilyCare lawsuit had tied up payment on claims for enrolled parents. This family health plan program for adults has gone through an injunction and stay order leaving about some claims on hold.

This week the legislature passed Senate Bill 1415 that reauthorizes coverage for families up to 185 % of the federal Poverty Level (FPL). This creates clear legislative authority to cover persons previously covered under the federal waiver.

The department has been denying FamilyCare coverage if income is over 133% of the FPL, but will begin to authorize coverage for adults up to 185% of the FPL when legislation is signed.

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- 4) Mr. Parker reviewed the handout on physician rate increases effective for dates of service February 1, 2009 and after (Attachment 4). He advised that the increases are for specialty care provided to children. The increases will not impact or change clinic encounter rate payments or payments for community mental health services.

Rate increases are based on a percentage of the locality rate amount. The fiscal impact of the February 1<sup>st</sup> rate increases is estimated to be \$8.5 million. In June, these rates will be applied to services rendered to adults with a fiscal impact estimated at an additional \$7 to \$7.5 million. The department hopes that additional rate increases will be available in the future.

Sherry Weingart asked if the rate increases would lead to an increase in enrolled physicians and if HFS would track this to see impact of the rate increases.

Mr. Parker stated there are a variety of things the department would track, including which codes are being billed, number of doctors billing and average utilization.

On the outreach side, Automated Health Systems' (AHS) provider representatives will publicize the increases as they have the responsibility to increase the provider network.

Jill Fraggos added that Children's Memorial Hospital applauds the increase in payment, as it should lead to increased services to special needs children.

Mr. Parker stated that the department had gotten off the physician payment schedule but now we are back on schedule. The department knows that we lost some good faith with delayed payments and hope by getting back on schedule with increased rates, we can maintain and increase patient access.

**V. Old Business**

- 1) **All Kids and FamilyCare update.** Enrollment statistics through November 30, 2008 were provided (Attachments 1 and 2). Lynne Thomas, Chief of the Bureau of All Kids, stated that application processing is at 8 days. The holidays are a slow time for receipt of applications, but volume is expected to increase.

It was asked if the department anticipates an increase in applications with the poor economy.

Ms. Thomas stated while it is difficult to determine the impact, the department's outreach unit works with the Illinois Department of Employment Security by going out to plant closings and providing information about the family health plans.

Robyn Gabel added that IMCHC has been working with chambers of commerce in promoting the health plans.

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Some discussion followed on reporting the uninsured rate in Illinois. Ms. Thomas stated that the department would be looking at the uninsured rate for the annual report to be prepared in the spring.

**2) Primary Care Case Management (PCCM) activity. (Attachment 3)**

Judy King stated that the Illinois State Board of Education website has a report on dental care for students, however, Chicago Public Schools (CPS) has under-reported this data. She advised that CPS shows data on only 20% of students compared to data on 80% of students statewide. She noted that school districts are required by law to report on the numbers of students that have had dental appointments at kindergarten, second grade and sixth grade. She asked if the MAC would contact CPS to inquire about the missing data.

Mary Driscoll advised that she is not sure if the MAC is the group to write a letter to press CPS for this data. She added that she would check to see if the Illinois Department of Public Health might be able to provide some data on children's dental utilization.

Mr. Parker responded that the department would try to get some data on utilization of dental care and the impact of rules for reporting utilization for public school students. He advised that he would ask Debbie Saunders, Chief, Bureau of Maternal & Child Health Promotion, to attend the next MAC meeting and give an update on the dental program.

**3) Disease Management (DM).** Mr. Parker advised nothing new to report for this period.

Judy King asked if individuals diagnosed with mental illness are receiving primary care. She stated that some experts talk about persons with mental illness having shorter life spans and added that mental health research is looking at whether these patients have access to primary care providers (PCP).

Mr. Parker stated that if we have persons enrolled in Disease Management, we want them to have a PCP. The department is in the midst of negotiations with the Disease Management vendor, McKesson Health Solutions, to add new populations including persons enrolled in one of the HCBS (Home and Community Based Services) waiver programs. HCBS enrollees are currently excluded from DM enrollment. HFS and McKesson are interested in looking at coordination of care for this population to provide better services.

The department is not currently looking at including pregnant women in the Disease Management program. There is a concern with coordinating the services pregnant women receive in the Family Case Management program.

The department is not planning on hiring a medical advisor to replace Dr. Saunders, who left the department effective January 1<sup>st</sup>. The plan is to move the Disease Management program coordination under the Bureau of Managed Care that currently administers the PCCM.

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Robyn Gabel and Mary Driscoll shared that they think the department should have a doctor on staff as a medical advisor.

- 4) **Medicare Part D.** Mr. Parker provided the update. He stated with the beginning of the new coverage year there are customer service issues, although not the chaos of the 2006 start-up year. Some of the issues include people needing to choose a new plan, PDP reconfiguration, people forgetting to sign up for a plan and some changes in plan formularies. There are also some new smaller plans adapting to the program. The department continues to work with enrollees and providers to resolve the customer service issues.
- 5) **Federal Medicaid Assistance Percentage (FMAP) increase.** Mr. Parker provided the report. He stated there are encouraging signs from house discussions that there will be a 4.8% increase in FMAP for fiscal year 2010. The discussions also include other Medicaid provisions such as money for FQHCs, pharmacy and records technology.

The state currently receives FMAP of just over 50%. We anticipate that with the increase our FMAP will be about 55%. This should translate into an additional \$500 million for Illinois. The increase would be over 2-years, so the department can plan for it to carry into fiscal year 2011. This may allow us to plan for provider rate increases.

Jill Fraggos acknowledged the letter supporting an increase in FMAP that was sent by the MAC committee to Illinois delegates. A draft of the letter was included in the meeting handouts.

## **VI. New Business**

Robyn Gabel asked if any of today's meeting participants had seen the new Healthy Illinois newsletter. She shared a copy with the group. The newsletter was included as an insert with the September monthly medical card mailings and is a Governor's initiative to provide families with health tips and medical program information.

## **VII. Subcommittee Reports**

**Long Term Care (LTC)** Kelly Cunningham, Chief of the Bureau of Long Term Care, gave the report.

The subcommittee last met on December 19<sup>th</sup>. There was a summary of activities of other agencies as well as reports on standing topics.

- HFS, the Department on Aging and Department on Human Services (DHS) are involved in a rapid project spearheaded by the Governor's Office and DHS to assist persons discharged from a long term care facility to reintegrate into the community. Pilots are planned for a few counties and will focus on short-term stay residents.

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- The “Money Follows the Person (MFP)” federal demonstration project continues to go forward based on premises contained in the state’s operational protocol approved June 30, 2008. The goal of the program is to transition approximately 3,500 eligible persons currently residing in a long term care facility for 6 or more months to home and community-based living. This is a 5-year program, with Illinois eligible to receive enhanced federal match for transition services provided to MFP participants for one year post-transition.
- HFS’ Supportive Living Program currently administers 107 supportive living facilities operating around the state, with another 40 to open in the next 2 years. In August, the department announced it would be soliciting applications for new facilities (both senior and for persons with physical disabilities) in specific geographic areas of the state. The application deadline has been extended to March 2, 2009.
- The subcommittee discussed issues related to the Minimum Data Set (MDS), an assessment and care-planning instrument used in nursing facilities. Federal CMS has announced that a new version of the MDS (MDS 3.0) will roll out in October 2009. HFS will need to make changes in its rate methodology and rate review process as a result of this change.
- There was a presentation on Project 2020. The project, sponsored by the National Association of State Units on Aging and the National Association of Agencies on Aging, will examine and foster alternatives to long-term care placement that allow persons to stay in the community. The project also looks at central entry points to access information about programs and to encourage the dissemination of information about disease prevention, nutrition and exercise. The project will also focus on nursing home diversion.
- The subcommittee’s next meeting is scheduled for February 20, 2009.

**Public Education Subcommittee.** No report for this period.

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

**VIII.** The meeting was adjourned at 11:40 a.m. The next MAC meeting is scheduled for March 20, 2009.

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**All Kids Report**

**Enrollment**

- Enrollment data is attached. Enrollment data as of 11/30/08:
  - a. 1,411,336 All Kids Assist (Up to 133% of FPL)
  - b. 73,351 All Kids Rebate, Share, Premium Level 1 (133% to 200% of FPL)
  - c. 69,408 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 175,717 web apps: 117,876 from the general public and 57,841 from AKAA's.

	8/31/2008		9/30/2008		10/31/2008	11/30/2008
	Previous	Current	Previous	Current	Current	Current
	Numbers	Numbers	Numbers	Numbers	Numbers	Numbers
<b>Pre-expansion children</b>	1,293,692	1,296,315	1,296,663	1,301,381	1,304,346	1,302,877
<b>All Kids Phase I</b>	103,415	103,644	104,568	105,030	106,808	108,459
<b>All Kids Phase II</b>	65,804	65,794	65,531	65,445	64,666	64,453
<b>All Kids Phase III</b>	8,054	8,054	8,269	8,265	8,632	8,898
<b>All Kids Expansion</b>	67,628	67,695	68,258	68,432	68,901	69,408
<b>TOTAL</b>	<b>1,538,593</b>	<b>1,541,502</b>	<b>1,543,289</b>	<b>1,548,553</b>	<b>1,553,353</b>	<b>1,554,095</b>
<b>All Kids Assist</b>	1,397,107	1,399,959	1,401,231	1,406,411	1,411,154	1,411,336
<b>All Kids Rebate, Share, Premium Level 1</b>	73,858	73,848	73,800	73,710	73,298	73,351
<b>All Kids Expansion</b>	67,628	67,695	68,258	68,432	68,901	69,408
<b>Total</b>	<b>1,538,593</b>	<b>1,541,502</b>	<b>1,543,289</b>	<b>1,548,553</b>	<b>1,553,353</b>	<b>1,554,095</b>



**Physician Rate Increases - Dates of Service >= 2/1/2009**

<b>Code</b>	<b>Description</b>	<b>New Base Rate</b>	<b>Old Rate</b>	<b>Increase</b>
99471	Inpatient Pediatric, Critical Care, Initial	\$ 510.67	\$ 497.21	\$ 13.46
99472	Inpatient Pediatric Critical Care, Subsequent	\$ 249.51	\$ 245.39	\$ 4.12
99468	Neonatal Critical Care, Initial	\$ 586.70	\$ 416.90	\$ 169.80
99469	Neonatal Critical Care, Subsequent	\$ 251.67	\$ 206.90	\$ 44.77
99478	Subsequent Intensive Care (<1500g)	\$ 88.85	\$ 86.56	\$ 2.29
99480	Subsequent Intensive Care (2501-5000g)	\$ 79.04	\$ 75.88	\$ 3.16
99477	Initial Hospital Care of Neonate	\$ 220.73	\$ 189.20	\$ 31.53
			<b>&lt; 21 only</b>	
<b>Code</b>	<b>Description</b>	<b>Base</b>	<b>Add-on</b>	<b>Total</b>
90801	PSYCHIATRIC DIAG INTERVIEW EXAM	\$ 67.50	\$ 52.11	\$ 119.61
95951	Cerebral seizure monitoring, with EEG, Video Monitoring and Interpretation	\$ 355.90	\$ 51.66	\$ 407.56
99241	CONSULT NEW/EST PT OFFICE	\$ 32.15	\$ 7.04	\$ 39.19
99242	CONSULT NEW/EST PT OFFICE	\$ 40.20	\$ 32.71	\$ 72.91
99243	CONSULT NEW/EST PT OFFICE	\$ 51.30	\$ 48.56	\$ 99.86
99244	CONSULT NEW/EST PT OFFICE	\$ 71.40	\$ 75.84	\$ 147.24
99245	CONSULT NEW/EST PT OFFICE	\$ 92.80	\$ 90.02	\$ 182.82
99291	Critical Care (30-74 minutes)	\$ 84.90	\$ 55.20	\$ 140.10

**Statewide Medical Homes and Client Enrollments  
for December 11, 2008**

<b>Number of Medical Homes*</b>	<b>Panel Size</b>	<b>Eligible Client Count</b>	<b>Clients Enrolled in IHC</b>	<b>Clients Enrolled in MCO</b>	<b>Total Clients with a Medical Home</b>
<b>5,359</b>	<b>5,307,389</b>	<b>1,846,333</b>	<b>1,586,665</b>	<b>181,677</b>	<b>1,768,342</b>

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