ILLINOIS DEPARTMENT OF Healthcare and Family Services

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MEMORANDUM

DATE: July 19, 2006

TO: Members of the Medicaid Advisory Committee

FROM: Anne Marie Murphy, Ph.D.
Administrator, Division of Medical Programs

RE: Medicaid Advisory Committee (MAC) Meeting

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The next meeting of the Medicaid Advisory Committee is scheduled for July 21, 2006. The meeting will be held via videoconference from 10 a.m. to 1 p.m. Those attending in Springfield will meet at 201 South Grand Avenue East, 3rd floor Videoconference Room B. Those attending in Chicago will meet at 401 South Clinton, 7th floor Videoconference Room.

The following meeting material has been posted to the department's Web site: The agenda for the July 21, 2006 meeting, the draft minutes from the May 19, 2006 meeting and the corrected draft minutes from the March 17, 2006 meeting.

The current meeting material has been sent to the committee members electronically. Interested parties can access the meeting information by going to: http://www.hfs.illinois.gov/mac/ or http://www.hfs.illinois.gov/mac/news/index.html

In order to receive information on future MAC meetings, you will need to register to receive e-mail notification when information is posted to the MAC Web page. To register to receive the MAC e-mail notifications go to: http://www.hfs.illinois.gov/mac/notify.html

If you have any questions, or need to be reached during the meeting, please call 312-793-4706 in Chicago or 217-782-2570 in Springfield.

MEDICAID ADVISORY COMMITTEE

401 S. Clinton, 7th Floor Video-conference Room
Chicago, Illinois
and
201 South Grand Avenue East
3rd Floor Videoconference Room
Springfield, Illinois

July 21, 2006
10 a.m. - 1 p.m.

AGENDA

I. Call to Order

II. Introductions

III. Meeting Minutes
- Review of revised March 17th minutes
- Review of May 19th minutes
- Adoption of minutes [January 20th, March 17th and May 19th]

IV. Administrator's Report
- All Kids Program Update
- DM and PCCM Update

V. Old Business
- All Kids and FamilyCare Update
- Medicare Part D Update

VI. New Business

VII. Subcommittee Reports
- Long Term Care (LTC) Subcommittee
- Dental Policy Review (DPR) Committee
- Public Education Subcommittee
- Pharmacy Subcommittee

VIII. Adjournment

Illinois Department of Public Aid
Medicaid Advisory Committee

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

March 17, 2006

Members Present
Eli Pick, Chairman
Kim Mitroka – Christopher Rural Health
Ralph Schubert, DHS
Neil Winston, M.D.
Robert Anselmo, R.Ph.
Debra Kinsey, DCFS
John Shlofrock, Barton Mgt.

Members Absent
Pedro A. Poma, M.D.
Richard Perry, D.D.S
Alvin Holley
Nancy Crossman, DHS
Laura Leon for Robin Gabel, IMCHC
Susan Hayes Gordon
Diane Coleman, PCIL
~~John Shlofrock, Barton Mgt.~~

HFS Staff
Anne Marie Murphy, Ph.D.
James Parker
Lynne Thomas
Carla Lawson
Aundrea Hendricks
James Monk

Interested Parties
Mark Mlynarczyk, Med Immune
Robin Scott, CDPH
A. George Hovanec
Phyllis J Handelman, Handelman Consulting
Peggy Powers, IADDA
Gerri Clark, DSCC
John Peller, AIDS Foundation of Chicago
Brad Kupferberg, CMH-Faculty Practice Plan
Ester Morales, Harmony / WellCare
Bonnie Schaafsma, IL Assoc. of Public Health Administrators
Tanya Hawkins, IHA

Medicaid Advisory Committee (MAC)
Draft Meeting Minutes

March 17, 2006

I. Call to Order

Chairman Eli Pick called the meeting to order at 10:08 a.m.

II. Introductions

Attendees in Chicago and Springfield introduced themselves.

III. Review of the Minutes

January minutes were reviewed. Ralph Schubert requested a correction showing his department as DHS not DPH. The minutes could not be approved, as there was not a member quorum.

IV. Administrator's Report

Dr. Anne Marie Murphy provided an update on 1) All Kids; 2) vendor selection for Disease Management (DM) and Primary Care Case Management (PCCM); and 3) the Springfield legislative session.

1) All Kids
Planning and implementation of the All Kids program is moving along on schedule. Much work has been done with development of outreach materials, pre-registration of children and on-going development of the All Kids web based application. A lot of public relations work has occurred with lots of All Kids outreach events.

We are working with a broad range of community partners. This includes FQHCs and hospital staff who interact directly with patients doing All Kids pre-registration and enrollments. We are working with medical providers from the discharge planners to the CEOs. We are working with provider groups to encourage enrollment. We have developed All Kids posters and have shared with interested parties to promote the program in doctor's offices and clinics.

We continue to look for new strategies to get the word out about All Kids. We are getting many new citizens that complete the pre-registration form but are actually eligible now.

Our marketing campaign vendor, GMMB, has worked with the Robert Woods Johnson Foundation and is nationally recognized for promotion of child safety

and promotion of SCHIP. GMMB is doing focus groups with persons currently eligible but not enrolled and with higher income groups.

Our tasks to ensure a smooth start up are inter-related. We need to ensure that all systems are in place so that when the ads are aired, the telephone lines work.

There is a lot of computer work to be done for intake processing of new applicants. We are revising the application to make the process as straight forward as possible. In respect to the anti-crowd-out provision, some extra questions have been added to determine the reasons for children being without insurance. We will cover all children without insurance before January 1 2006. There is a strong interest in not having people drop insurance or employers to drop kids from insurance. There are some exceptions like providing coverage if parents lost job and health insurance, covering newborns and covering families that earned their way out of KidCare. At redetermination, we will assess if there is affordable employer insurance. Only 6% of our cases are related to TANF (Temporary Assistance for Needy Families) and 94% of the children are in working families.

- Ralph Schubert asked whom school based clinics should talk to about participating in outreach events.

- Also, is the state using pharmacies, pediatrician offices and schools for outreach?

Dr. Murphy suggested he call Gretchen Grieser or Michelle Piel for outreach participation. She added that the outreach section has been working with doctors' offices and schools, but pharmacies have been preoccupied with Medicare Part D start up.

2) Disease Management (DM) and Primary Care Case Management (PCCM)
Dr. Murphy stated that the RFPs are out and bids have been received for both contracts. Choosing a disease management vendor is close to completion while the PCCM bid and selection process is about a month different so the decision will come later.

Vendors, when chosen, will work with community partners, physician groups and other stakeholders to develop standards. We have worked with groups in the past such as the American College of Obstetrics and Gynecology (ACOG).

The disease management program is relatively straightforward. The PCCM program has the goal of promoting continuity of care. Our intent is to roll PCCM out gradually across the state. We have received good advice on access standards from stakeholder groups. We will "turn on the switch" when we are ready to go with the PCCM implementation.

The DM and PCCM programs give the opportunity for data sharing regarding service provided such as immunizations and other services related to the HEDIS standards. The model will improve our ability to measure that preventative screenings occur. We are working with encounter rate clinics to determine if a child was treated but the data had not been entered and to improve the quality of encounter data.

- When will the department announce contract awards?

James Parker, Deputy Administrator for Operations, stated the DM contract should be done pretty soon and the PCCM contract should be done about mid May.

- George Hovanec asked about criticism that the department is moving too slowly with implementation

Dr. Murphy stated that some legislators believe that we said that All Kids would be fully operational by July 1. We didn't say this. Some critics say we are moving too quickly. We believe we are on track as planned.

3) Legislative session
DHS and HFS are developing a community-based waiver for children with disabilities. We are working with all relevant parties and an agreement is made. We hope to have the waiver ready by the fall veto session.

We are working with HIV/AIDS group to add prescriptions to the Illinois Care Rx formulary. The addition of these drugs should have a modest fiscal impact.

Some bills that have been proposed do have a greater fiscal impact. We may not be for them based on their fiscal impact as there is a need to have a balanced budget.

There is support of the Veterans Health Care bill. It is a priority of the Lieutenant Governor. Nationally, there are 1.2 million veterans that are without health care.

V. Old Business

KidCare/FamilyCare. Lynne Thomas, Chief of the Bureau of All Kids, provided the committee with an update on the KidCare/FamilyCare program. She states that the All Kids Unit has added 2000 parents or caretaker relatives using the higher FamilyCare standard. Enrollment statistics through January 31, 2006 were provided.

Dr. Murphy stated that the All Kids Unit is receiving a lot more of the web applications, however, a lot are not approved as necessary documents are not faxed or mailed.

- How will we know how many new All Kids children are enrolled?

Ms. Thomas stated that a separate line would be added for All Kids to report as separate data. It was noted that there are a number of plans in All Kids and separating out the different plans is needed at the back end for claiming federal matching funds.

Dr. Murphy noted that universality, offering benefits to all children, helps overall enrollment. All children will be in All Kids and so we will measure success by the increase in total enrollment of children.

Chairman Pick noted that 60% of web applications come from the community, while only 40% come from All Kids Application Agents.

Dr Murphy referred to the Pennsylvania experience. At first enrollments were low at only about 2% of applications. But now there is more usage of the web applications.

Medicare Part D. Mr. Parker stated that things are going more smoothly with much of the claims processing issues resolved. However, there are still some data match issues with the federal CMS and PDPs (Prescription Drug Plans).

May 15 is the current deadline for enrollment with Medicare Part D. There are other persons age 65 with a special enrollment period. In Illinois, we have a limited number of PDPs for those needing the coordinating plan.

We want CMS to get the special enrollment period information to the coordinating plans so members can be enrolled. We believe that CMS can do this with a rule change. We are in discussions with CMS as we anticipate problems after May 1.

April 1 is the end of the 90-day federal rule that states every patient has a right to a transitional pill for a non-formulary drug at regular copayments. Beginning April 1, there can be rejects of non-formulary drug requests. The patient has to either switch drugs or go through the PDP exception process.

Chairman Pick stated that clients admitted into long tem care facilities in the middle of the month could have a problem in obtaining pharmacy services. Having the prescription filled by the facility's pharmacy is problematic. It is hard to do if the client is not at the facility during contact.

Mr. Parker clarified that we are speaking of dual-eligibles admitted to a skilled nursing facility (SNF). When the patient is Medicaid before getting drugs through the PDP, HFS can cover the prescription under the "Refill-to- Soon" program. Mr. Parker reviewed the procedure.

Mr. Parker stated that there have been a number of questions from Omnicare on long term care issues. We may have as many as 15 policies and 15 different PDPs involved with these issues.

Chairman Pick observed that he anticipates even more calls after May 1.

Mr. Parker advised that like QMB and SLIB, we are working through a manual process currently but plan for an electronic process in the future.

VI. New Business

No new business for this period.

VII. Subcommittee Reports

Long Term Care (LTC). Eli Pick reported that 44 new Supportive Living Facilities (SLF) projects have been awarded. These along with the 26 existing SLF, bring the total number to 70. Three of the new facilities are for special needs individuals, including for sight impaired, hearing impaired and mental health.

The subcommittee is looking at how to expand criteria for more special needs persons to access alternatives to institutional care. Using home-based community waivers, we are looking for funds and providing mental health services support for seniors in the community.

Dental Policy Review (DPR). No report for this period.

Public Education Subcommittee. No report for this period.

Pharmacy Subcommittee Charge. Robert Anselmo provided the report. This was the subcommittee's first meeting so members were not sure of department expectations. Tom Rousonelos, R.Ph., was elected as the subcommittee chair.

At the meeting, James Parker provided an update on Medicare Part D. The subcommittee discussed how Medicare part D is changing daily and the impact of the end of the 90-day transitional pill program that Mr. Parker had mentioned earlier.

VIII. Chair Eli Pick adjourned the meeting at 10:55 a.m. The next MAC meeting is scheduled for May 19, 2006.

Illinois Department of Public Aid
Medicaid Advisory Committee

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

May 19, 2006

Members Present
Neil Winston, M.D.
Debra Kinsey, DCFS
John Schlofrock, Barton Mgt.
Robyn Gabel, IMCHC
Nancy Crossman, DHS

Members Absent
Pedro A. Poma, M.D.
Richard Perry, D.D.S
Alvin Holley
Diane Coleman, PCIL
Eli Pick, Chairman
Kim Mitroka – Christopher Rural Health
Ralph Schubert, DHS
Robert Anselmo, R.Ph

HFS Staff
James Parker
Jacquetta Ellinger
Lynne Thomas
Carla Lawson
Aundrea Hendricks
James Monk

Interested Parties
Kenzy Vandebroek, CDPH
Gerri Clark, DSCC
Ester Morales, Harmony / WellCare
Bonnie Schaafsma, IL Assoc. of Public Health Administrators
Mary Davis, Comprehensive Bleeding Disorders Center
Joy Mahurin, Comprehensive Bleeding Disorders Center
Jenny J. Purdy, Comprehensive Bleeding Disorders Center
Rich Forshee - IDPH
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Medicaid Advisory Committee (MAC)
Draft Meeting Minutes

May 19, 2006

I. Call to Order

John Schlofrock called the meeting to order at 10:15 a.m.

II. Introductions

Attendees in Chicago and Springfield introduced themselves.

III. Review of the Minutes

January and March minutes were reviewed. Mr. Schlofrock requested that the March minutes be revised to correctly reflect his presence at the meeting. The minutes from the January and March meetings could not be approved, as there was not a member quorum.

IV. Administrator's Report

James Parker, Deputy Administrator for Operations, provided an update on 1) All Kids; 2) vendor selection for Disease Management (DM) and Primary Care Case Management (PCCM); and 3) the Springfield legislative session.

1) All Kids
HFS released the new All Kids application and began adjudicating requests effective April 17th.

HFS has computer programs for pulling claims so that physicians may be paid in 30 days effective July 1 for services provided to children. HFS agrees timely payment is a significant issue and has programmed to cover all doctors proving services to children.

All Kids rulemaking was addressed under the New Business agenda item.

2) Disease Management (DM) and Primary Care Case Management (PCCM)
Mr. Parker stated that McKesson Health Solutions is the disease management vendor. HFS is beginning discussion on implementation. The vendor has been out meeting with community groups. The selection protest period is over and no protests were received. The contract should be executed soon.

The PCCM procurement is well underway. HFS is close to awarding the contract for the PCCM administrator and the client enrollment broker. HFS has planned for a phased roll-out beginning on July 1. PCCM will be phased in during FY07.

3) Legislative session
The legislative session ran longer than originally scheduled but has now concluded.

Mr. Schlofrock commented that HFS had set a lofty goal for payment that would probably be difficult to do but wonderful if the goal is reached.

Mr. Parker stated that a part of the State budget was a supplemental appropriation, with $80 million moved into the current fiscal year. So there is authority to make payment now and the Comptroller will make payment.

Mr. Schlofrock asked if all the supplemental appropriation was for providers. Mr. Parker stated that within the $80 million, there is money for pharmacy, which also receives money from the tobacco settlement. The basic general revenue fund was depleted. He would need to check on specifics, but the target was primarily for physicians.

V. Old Business

KidCare/FamilyCare. Lynne Thomas, Chief of the Bureau of All Kids, provided the committee with an update on the KidCare/FamilyCare program. She states that the All Kids Unit is now receiving the All Kids applications. The unit continues to receive requests to add parents or caretaker relatives under the higher FamilyCare standard. Enrollment statistics through March 31, 2006 were provided. Attachment 1 and 2 to minutes.

Ms. Gabel asked if the applications for AKAA are available. She also asked if the department has any way to handle the federal requirement beginning July 1 that mandates birth certificate be provided for persons declaring as citizens. Ms. Thomas stated that the 2378 MC applications are being printed now. She stated that while the birth certificate is not required for All Kids, we are still working on procedures to comply with the federal law.

Medicare Part D. Mr. Parker stated that the initial open enrollment period for persons with Medicare Part A and B ended on May 15. Persons are now shut out until the next enrollment period beginning November 15 for coverage beginning January 2007.

There is a late penalty of 1% of the premium each month after the period for which enrollment should have begun. There has been some movement to get the federal CMS to waive the first penalty.

Persons turning 65 have an enrollment period through 3 months after and some time before they turn 65. Dual eligible persons can apply at any time. Also anyone found eligible for the low-income subsidy may apply at anytime.

There has never been an enrollment period for Illinois Cares Rx and persons could be found eligible at any time. Some dual eligibles may have failed to apply by the May 15 date. The federal statute is that Medicare eligible persons must join Part D. HFS has decided to cover these persons the same as non-Medicare enrollees for the remainder of the year. HFS will auto-assign these individuals in November to start benefits in January 2007.

VI. New Business

Jacquetta Ellinger, Deputy Administrator for Policy Coordination, provided copies of the All Kids administrative rules section 123 and 118 discussed in the Administrator's report. She stated that there is a 45-day comment period that begins June 2. Ms. Ellinger generally discussed the structure and topics covered in the rule.

Ms Gabel stated in the past the copays have not been deducted from the provider payment. She asked if this would also be true under the All Kids expansion. Also if copays were deducted why would the state do this?

Ms. Ellinger stated that the provider payment for All Kids Premium Levels 2-8 would be the state rate minus the copay for which the family is responsible. She added that physicians are being paid more for well child services under the Memisovski settlement.

Ms Ellinger then reviewed part 118.500 that is amended to cover undocumented children in households with income under the 200% federal poverty level. She stated that children who are permanently residing in the U.S. under color of law (PRUCOL) are also covered.

The state must also update part 125 that contains existing KidCare rules to make the section consistent with the All Kids rules. The change will be filed later.

Kenzy Vandebroek advised that she had heard rumors that coverage of undocumented children was not included in rule 118. She was concerned that we need to counteract the rumor.

Ms Ellinger stated that as we talk about the new citizenship documentation, some think we are looking for proofs for undocumented children and see the request as a trick. The department is working on a brochure to clarify the requirements but agreed that it will take ongoing effort by the department and advocates to get the right message out to families.

Ms. Vandebroek stated that she could let partners know because she now has the policy in the rules.

VII. Subcommittee Reports

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

Dental Policy Review (DPR). No report for this period.

Public Education Subcommittee. No report for this period.

Kenzy Vandebroek asked if there would be a chance to review materials on PCCM.

Mr. Parker advised that stakeholders would have an opportunity to review. He noted that the PCCM agreements would be between the doctors and department rather than the doctors and the contractor.

Pharmacy Subcommittee Charge. James Parker reported that the committee had its second meeting. There was some discussion regarding copays. There are copays for brand name drugs but not for generic. There is a trend where brand name drugs can be cheaper than the generics. The department is looking at changing the copay rule in this situation.

VIII. Adjournment

Mr. Shlofrock adjourned the meeting at 11:03 a.m. The next MAC meeting is scheduled for July 21, 2006.

Medicaid Advisory Committee
May 19, 2006
All Kids/FamilyCare Report

Enrollment

- Enrollment data is attached. Enrollment data as of 03/31/06:

  a. 1,069,654 pre-expansion children (up to 100% of FPL)
  b. 362,659 pre-expansion parents (up to approx. 35% of FPL)
  c. 6,175 Moms and babies expansion (133% to 200% of FPL)
  d. 79,703 Phase I (100% to 133%) and 38,545 Phase II expansions (133% - 185% of FPL)
  e. 5,220 Phase III (over 185% - 200% of FPL)
  f. 30,447 FamilyCare Phase I (38% - 49% of FPL)
  g. 31,134 FamilyCare Phase II (49% - 90% of FPL)
  h. 49,654 FamilyCare Phase III (90% to 133% of FPL)
  i. 4,597 FamilyCare Phase IV (133% to 185% of FPL)

FamilyCare Expansion

We expanded FamilyCare to 185% of poverty January 1, 2006.

Web-based application capability

We implemented our web-based application statewide on August 11. Since then, we have received a total 26,267 web apps: 16,342 from the general public and 9,925 from AKAA's.

Attachment 2
MAC - May 19, 2006 Minutes

MAC 05/19/06

	5/31/2005		6/30/2005		7/31/2005		8/31/2005		9/30/2005		10/31/2005		11/30/2005		12/31/2005		1/31/2006		2/28/2006	3/31/2006
	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Previous Numbers	Current Numbers	Current Numbers	Current Numbers
Pre-expansion children	1,046,355	1,046,568	1,049,594	1,050,007	1,050,518	1,052,041	1,056,358	1,060,165	1,058,172	1,064,356	1,063,879	1,067,249	1,060,718	1,066,289	1,063,472	1,067,951	1,064,545	1,071,913	1,071,056	1,069,654
KidCare Phase I	66,490	66,499	67,647	67,669	68,804	68,904	69,825	70,158	70,569	71,155	72,522	72,817	73,620	74,051	75,329	75,718	76,792	77,523	79,012	79,703
KidCare Phase II	38,085	38,088	38,340	38,344	38,607	38,612	38,210	38,196	37,903	37,865	38,184	38,151	38,375	38,038	38,424	38,402	38,452	38,416	38,526	38,545
KidCare Phase III	3,531	3,531	3,710	3,710	3,865	3,864	3,991	3,984	4,179	4,176	4,342	4,336	4,584	4,572	4,719	4,707	4,892	4,874	5,033	5,220
Moms and Babies Exp	6,180	6,190	6,234	6,245	6,218	6,246	6,206	6,281	6,133	6,268	6,242	6,318	6,205	6,339	6,215	6,303	6,205	6,359	6,327	6,175
Pre-expansion parents	349,762	349,899	349,586	349,839	350,119	351,050	351,359	354,003	351,035	355,644	355,346	358,239	354,164	358,783	357,938	361,098	358,108	363,897	363,324	362,659
FamilyCase Phase I	30,513	30,512	30,790	30,795	30,958	30,969	30,993	31,023	31,020	31,050	30,960	30,964	30,788	30,804	30,786	30,789	30,745	30,748	30,623	30,447
FamilyCare Phase II	30,887	30,888	31,131	31,135	31,166	31,197	31,581	31,639	31,840	31,936	31,837	31,832	31,427	31,439	31,208	31,218	31,018	31,051	31,029	31,134
FamilyCare Phase III	40,795	40,795	42,402	42,409	43,752	43,795	45,046	45,127	45,996	46,153	47,102	47,127	47,656	47,692	48,265	48,272	48,807	48,867	49,309	49,654
FamilyCare Phase IV																	2,312	2,351	3,512	4,597
TOTAL	**1,612,598**	**1,612,970**	**1,619,434**	**1,620,153**	**1,624,007**	**1,626,678**	**1,633,569**	**1,640,576**	**1,636,847**	**1,648,603**	**1,650,414**	**1,657,033**	**1,647,537**	**1,658,007**	**1,656,356**	**1,664,458**	**1,661,876**	**1,675,999**	**1,677,751**	**1,677,788**