



Michigan Department of Health and Human Services
Medical Services Administration

Medical Care Advisory Council

Meeting Minutes

Date: Tuesday, December 4, 2018

Time: 1:00 p.m. – 4:30 p.m.

Where: Michigan Public Health Institute (MPHI)
2436 Woodlake Circle, Suite 380
Okemos, MI 48864

Attendees: **Council Members:** Emily Schwarzkopf, Warren White, Jeff Towns, Amy Zaagman, Dianne Haas, Rod Auton, Deb Brinson, Marilyn Litka-Klein, Barry Cargill, Elmer Cerano, Dan Wojciak (for Allison Hirshel), Katie Macomber (for Karen MacMaster), Chris George, Karlene Ketola, Dave Herbel, Jim Milanowski, Kim Singh, April Stopczynski, Rebecca Blake, Dominick Pallone

Staff: Kathy Stiffler, Farah Hanley, Erin Emerson, Brian Keisling, Dick Miles, Jackie Prokop, Kim Hamilton, Marie LaPres, Cindy Linn, Christina Severin, Phil Kurdunowicz

Other Attendees: Salli Pung, Brenda Look

Welcome, Introductions, Announcements

Emily Schwarzkopf opened the meeting and introductions were made.

Election Outcome – Transition

Kathy Stiffler shared that no official meetings have yet taken place between Michigan Department of Health and Human Services (MDHHS) staff and governor-elect Gretchen Whitmer's transition team. Additionally, Ms. Stiffler announced that due to Civil Service rules limiting the length of time she could serve as Acting Medicaid Director, she has accepted the role of State Medicaid Director full-time for a limited term until a new MDHHS director is appointed by the governor-elect and selects a long-term replacement.

Budget Update

Farah Hanley provided the following updates on the department's budget process:

- MDHHS staff are working to “close the books” on fiscal year (FY) 2018 by reviewing all financial transactions for the department during the year and have identified a shortfall in the area of Information Technology (IT). To make up for this shortfall, MDHHS has submitted a request to the legislature for a one-time transfer of \$65 million into the department's IT budget. MDHHS is also in the process of creating a new bureau within the Financial Operations Administration to oversee all IT systems within the department.
- MDHHS submitted a supplemental budget request for FY19 to the legislature to request

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funding for the following needs that have been identified since PA 207 of 2018 was signed into law in June 2018:

- \$9.9 million to replace the county share of payment to unlicensed relatives who supervise children in the foster care system;
- \$15 million to prepare to implement the provisions of the Healthy Michigan Plan Section 1115 Demonstration Waiver Extension Amendment request that was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 10, 2018 (HMP 3), which includes workforce engagement requirements;
- \$27 million to support the department's PFAS initiative, which includes the addition of 38 additional full-time equivalent (FTE) employees in the MDHHS Population Health Administration;
- \$7 million for 68 additional staff and one-time improvements at Caro Psychiatric Hospital
- \$7 million for Hepatitis A response efforts, including immunizations;
- \$21.2 million for 246 additional Child Protective Services (CPS); and
- \$10 million for additional CPS reforms.
- MDHHS has begun soliciting requests within the department for FY20 budget priorities, which will not be made public until after the new governor takes office.

A meeting attendee asked if the supplemental budget request would include a wage increase for direct care workers and psychiatrists employed by state psychiatric hospitals. In response, Ms. Hanley indicated that while MDHHS has been supportive of a wage increase for direct care workers, it is not addressed in the supplemental request at this time. However, MDHHS has requested funding for additional staff at state psychiatric hospitals.

Healthy Michigan Plan – Waiver Submission and Update

MDHHS submitted an amendment to the Healthy Michigan Plan Section 1115 Demonstration Waiver Renewal Request to CMS on September 10, 2018. While the department expects that CMS will approve the waiver by December 31, 2018, MDHHS staff reported that CMS has indicated that some portions of the Waiver Amendment (such as the criteria for discontinuing coverage in the case that a beneficiary misrepresents his or her compliance with workforce engagement requirements and the legislative requirement for beneficiaries to engage in "incrementally more challenging" healthy behaviors) may be difficult to approve as written. In this case, MDHHS will discuss with the legislature how to move forward. In the meantime, CMS may choose to approve portions of the Waiver Renewal request prior to December 31, 2018 while discussions on these issues are ongoing, but all portions of the Waiver must be approved by September 10, 2019 for the Healthy Michigan Plan to continue.

HMP 3 - Cumulative 48 Months of Coverage and Over 100% of the Federal Poverty Level

Effective July 1, 2019, Healthy Michigan Plan beneficiaries with incomes above 100% FPL who have been enrolled in the program for 48 cumulative months will be required to contribute 5% of their income and engage in "incrementally more challenging" healthy behaviors as a condition of continued enrollment in the Healthy Michigan Plan.

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Community Engagement Requirements

Kathy Stiffler provided an overview of the Community Engagement Requirements included in the Healthy Michigan Plan Section 1115 Demonstration Waiver Renewal Amendment. In response to an inquiry regarding how the \$15 million for HMP 3 implementation included in the FY19 supplemental request would be allocated, Ms. Stiffler shared that MDHHS is planning to use much of the funding to set up a non-web-based system for beneficiaries to report their compliance with workforce engagement requirements. The web-based reporting system will be available for those who are able to utilize it, however, Ms. Stiffler emphasized the importance of having an alternative reporting system available for beneficiaries who may not have regular computer access.

Exemptions

Medical Exemption

Healthy Michigan Plan beneficiaries who attest to being “medically frail” will receive a 12-month exemption from compliance with community engagement requirements as a condition of continued enrollment in the Healthy Michigan Plan. After this period, they may continue to claim “medically frail” status as needed and receive a continued exemption from this requirement. In response to an inquiry regarding the definition of “medically frail,” Jackie Prokop indicated that MDHHS has compiled a list of approximately 500 qualifying diagnoses under which beneficiaries would meet these criteria.

Reporting Process and Frequencies

MDHHS staff and meeting attendees discussed at length the process for Healthy Michigan Plan beneficiaries to report compliance with community engagement requirements. To maintain coverage, beneficiaries will be required to report participation in a qualifying event as defined in Public Act 208 of 2018 each month. If they fail to report, they will receive a notice from MDHHS indicating that they have chosen to use one of three months of allowed noncompliance for that 12-month period. If a beneficiary exceeds three months of noncompliance with community engagement requirements within a 12-month period, their coverage under the Healthy Michigan Plan will be suspended for one year.

Community-Based Organization Supports and Assistance

MDHHS staff and meeting attendees also discussed ideas to provide training for community partners to assist Healthy Michigan Plan beneficiaries with the new process for reporting compliance with community engagement requirements or attesting to being medically frail. In addition, Kathy Stiffler indicated that a draft plan for MDHHS community outreach related to the new Healthy Michigan Plan processes will be available for discussion at the next Medical Care Advisory Council (MCAC) meeting.

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Focus Groups - Reviewing Beneficiary Material

Kathy Stiffler reported that the department plans to convene focus groups to preview beneficiary material that will be used to communicate information related to HMP 3 and community engagement requirements for Healthy Michigan Plan beneficiaries, and asked meeting attendees to provide recommendations for groups or individuals who would be a good fit to participate in these focus groups. MDHHS staff and meeting attendees continued to discuss various issues related to the Healthy Michigan Plan at length, including the status of waivers submitted by other states requesting to implement community engagement requirements.

Long Term Care Updates

Dick Miles provided the following updates related to Long Term Care:

- MDHHS plans to release a report in December 2018 that will provide the details of a proposed Managed Long-Term Services and Supports (MLTSS) model.
- Enrollment in MI Health Link peaked at approximately 39,600 enrollees in the beginning of 2018 and is now under 36,000. MDHHS is working to resolve issues related to enrollment discrepancies between Medicare and Medicaid and has suspended the monthly passive enrollment process into MI Health Link while these problems are addressed. The MI Health Link demonstration is currently authorized under waiver authority through December 31, 2020, and MDHHS is planning to discuss with CMS the possibility of extending the program beyond that date.
- The state legislature is considering a bill during the current “lame duck” session that would modify the ballot initiative passed in 2018 to increase the minimum wage, which would have budget implications for MDHHS with respect to payment to Home Help personal care services providers. In addition, the legislature is also considering a bill to mandate zip code exclusivity to Program of All-Inclusive Care for the Elderly (PACE) organizations.
- The MI Choice Waiver has been renewed for an additional five years.
- MDHHS is continuing the stakeholder engagement process in preparation for implementing an Electronic Visit Verification (EVV) system for personal care service providers by January 1, 2020.
- The department is in the process of developing a Brain Injury Waiver chapter for the Medicaid Provider Manual. In addition, MDHHS released bulletin MSA 18-48, regarding a Medicaid Provider Manual chapter specific to Nursing Facility Level of Care Determination (LOCD) on November 30, 2018.

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Public Charge

MDHHS staff and meeting attendees discussed new proposed rules by the Trump administration that would expand the benefits that could be considered in determining whether a person is likely to become a public charge to include Medicaid, housing assistance, Medicare Part D, and the Supplemental Nutrition Assistance Program (SNAP). A person deemed likely to become a public charge can be denied admission to the U.S. or the ability to become a lawful permanent resident. Handouts containing supplemental information on the proposed Public Charge rule were distributed to meeting attendees, and the issue was discussed at length.

Behavioral Health Updates

Erin Emerson reported that MDHHS has submitted a Section 1115 waiver to provide all behavioral health services under a single waiver authority to CMS. CMS has communicated an alternative approach to MDHHS that involves maintaining several waivers. MDHHS is working with CMS to identify technical assistance needs and next steps, but is targeting approval by October 1, 2019.

Section 298 Update

MDHHS staff provided an update on the progress of the Section 298 initiative to integrate behavioral health and physical health services. Meeting attendees were provided with copies of the Section 298 Progress Report, which was prepared by MDHHS and submitted to the legislature on November 1, 2018 as required by the FY19 appropriations act (Public Act 207 of 2018). The report contains a summary of the pilots and demonstration project, an update on the current progress in implementing the pilots and demonstration project, and an update on the implementation of policy changes related to the recommendations from the final report of the 298 Facilitation Workgroup. The document was discussed at length, and meeting attendees were also directed to the MDHHS website at www.michigan.gov/stakeholder298 for additional information on the Section 298 initiative.

Dental Update

Healthy Kids Dental

Effective October 1, 2018, MDHHS awarded contracts to both Delta Dental and Blue Cross Blue Shield of Michigan to provide services to beneficiaries of the **Healthy Kids Dental** program. While the department randomly assigns beneficiaries to a plan upon enrollment, five out of every six new enrollees are currently assigned to Blue Cross Blue Shield of Michigan to ensure sustainability of two different plans, as Delta Dental was the sole participating health plan prior to October 1, 2018. Once enrollment in Blue Cross Blue Shield reaches 200,000 **Healthy Kids Dental** beneficiaries, MDHHS will begin to randomly assign each new enrollee to a different plan. Once assigned to a plan, beneficiaries may then choose to enroll in a different plan if they wish.

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Pregnant Women Dental

Kathy Stiffler shared that in an effort to improve access to services, dental coverage has been added as a benefit for pregnant women enrolled in a Medicaid Health Plan for up to three months post-partum effective July 1, 2018. As part of this process, MDHHS has been working to improve coordination of benefits between physical health and dental health providers to better identify women who are eligible for this benefit. MDHHS staff and meeting attendees continued to discuss additional ideas for how to improve this process, including a suggestion by one attendee to extend the managed care dental benefit to all adults.

Provider Enrollment Requirements

MDHHS staff and meeting attendees discussed at length the requirement that all typical providers must be enrolled in the Community Health Automated Medicaid Processing System (CHAMPS) to receive payments from Medicaid Health Plans and Dental Health Plans. Following previous communications that suspended the deadline for compliance with this requirement, due to staffing issues at the department, MDHHS issued bulletin MSA 18-47 on November 30, 2018, to inform providers that Medicaid Health Plans and Dental Health Plans may no longer issue payments to providers who are not enrolled in CHAMPS effective January 1, 2019.

A meeting attendee reported that many entities with a large number of providers had been waiting to see a hard deadline before completing the CHAMPS enrollment process, as they wanted to ensure that there would be no systems issues that would act as a barrier to compliance. In response, MDHHS staff indicated that the department has been in communication with providers regarding the January 1, 2019 deadline for compliance, but that staff were not aware of provider concerns related to potential systems issues. Kathy Stiffler further indicated that MDHHS currently plans to begin denying pharmacy claims from non-enrolled prescribing typical providers beginning July 1, 2019, but may consider postponing the deadline to accommodate hospital residency programs that receive a new class of resident physicians on July 1, 2019.

Policy Updates

School Mental Health and Registered Nurse Services

Jackie Prokop shared that MDHHS is working with stakeholders to develop a State Plan Amendment and corresponding policy that will allow schools to receive Medicaid matching funds to expand behavioral health and nursing services for general education students. MDHHS staff and meeting attendees discussed the issue at length.

Policies to Note

A policy bulletin handout was distributed to attendees.