



Michigan Department of Health and Human Services
Medical Services Administration

Medical Care Advisory Council

Meeting Minutes

Date: Wednesday, August 8, 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, Dominick Pallone, Rod Auton, Elmer Cerano, Mark Klammer, Robert Sheehan, Amy Zaagman, April Stopzcynski, Mario Azzi, Rebecca Blake, Karlene Ketola, Jim Milanowski, Lisa Dedden Cooper, David Herbel, Debra Brinson, William Mayer, Marilyn Litka-Klein

Staff: Kathy Stiffler, Lynda Zeller, Erin Emerson, Brian Keisling, Jackie Prokop, Craig Boyce, Leslie Asman, Mary Beth Kern-Collins, Marie LaPres, Dave Schneider, Phil Kurdunowicz

Other Attendees: Salli Pung, Dan Wojciak, Joe Pawluszka, Kellie Bidelman

Welcome, Introductions, Announcements

Emily Schwarzkopf opened the meeting and introductions were made.

Healthy Michigan Plan

Public Act 208 of 2018

Kathy Stiffler provided an overview of Public Act 208 of 2018, which directs the Michigan Department of Health and Human Services (MDHHS) to (1) make changes to the Healthy Michigan Plan for beneficiaries who have been enrolled in the program for 48 cumulative months and have incomes above 100% of the Federal Poverty Level (FPL), and also (2) implement workforce engagement requirements for non-exempt beneficiaries. To implement these changes, MDHHS is working to submit an amendment to its Section 1115 Demonstration Waiver extension application for the Healthy Michigan Plan. The waiver application amendment is currently posted for public comment at www.michigan.gov/healthymichiganplan, and Ms. Stiffler noted that while the formal public comment period officially ends on August 12, 2018, interested parties may continue to submit comments after that date. MDHHS will take comments submitted after August 12 into consideration for future changes to the Healthy Michigan Plan. In addition, public hearings were held to discuss the amendment on July 31, 2018 and August 1, 2018. The waiver application amendment must be submitted to the Centers for Medicare & Medicaid Services (CMS) by October 1, 2018 per the State statute, but the State plans to submit early.

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Cumulative 48 months of coverage and over 100% of the federal poverty level (FPL)

PA 208 of 2018 requires that beneficiaries who have been enrolled in the Healthy Michigan Plan for 48 cumulative months and have incomes above 100% of the FPL must engage in a healthy behavior **and** contribute a 5% premium as a condition of continued coverage. Participation in a healthy behavior will no longer result in a reduction in premium obligations, but co-payments will no longer apply, as beneficiaries may not exceed 5% of their income toward total cost-sharing. The targeted implementation date of this change is July 1, 2019.

Rescinds Marketplace Option

PA 208 of 2018 also rescinds the Marketplace Option for Healthy Michigan Plan for beneficiaries who choose not to engage in a healthy behavior. In February 2018, MDHHS notified approximately 15,000 beneficiaries who failed to complete a healthy behavior that they were at risk of transitioning to the Marketplace. At that time, approximately half of those individuals completed a Health Risk Assessment and chose to engage in a healthy behavior. MDHHS has since notified all individuals in this group that the Marketplace Option has been rescinded.

Workforce Engagement Requirements

In addition to the 48 month cumulative enrollment changes and rescinding the Marketplace Option, PA 208 of 2018 requires MDHHS to implement workforce engagement requirements for all beneficiaries ages 19 to 62 as a condition of continued enrollment in the Healthy Michigan Plan. The legislation outlines 10 qualifying events under which individuals can meet workforce engagement requirements, as well as 12 exemption criteria, which were discussed in detail at the previous Medical Care Advisory Council (MCAC) meeting on June 18, 2018. Kathy Stiffler indicated that approximately 400,000 Healthy Michigan Plan beneficiaries may be impacted by the workforce engagement requirements, as this is the number of beneficiaries between the ages of 19-62 who have been identified as not meeting the requirements of current Supplemental Nutritional Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) program workforce engagement requirements. This figure includes individuals who may meet exemption criteria, as some exemptions may require continued attestation.

MDHHS plans to begin the process of communicating the workforce engagement requirements with beneficiaries following approval of the waiver amendment by CMS. In response to an inquiry, Ms. Stiffler indicated that it is unknown at this time how many beneficiaries could potentially lose coverage as a result of the implementation of these requirements. MDHHS is also monitoring the implementation process for similar workforce engagement requirements in other states. MDHHS staff and meeting attendees discussed this issue at length, including details related to the exemption criteria and the implications of the federal court decision on Kentucky's waiver on the potential approval of workforce engagement requirements for other states. Meeting attendees also recommended that the state consider allocating resources for job training, transportation and child care for Healthy Michigan Plan beneficiaries to meet the workforce engagement requirements, and Emily Schwarzkopf offered to draft a letter on behalf of the MCAC to MDHHS leadership and the legislature to request these changes.

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Healthy Michigan Waiver Renewal Update – Amendment

Public Hearings

Jackie Prokop provided an overview of some of the comments that were shared at the public hearings held on July 31, 2018 and August 1, 2018. Most comments shared at the hearings reflected concern related to the workforce engagement requirements for Healthy Michigan Plan beneficiaries. Many commenters also requested information on exemption criteria and requested clarity on the criteria for an individual to be designated as “medically frail.” As a result of the feedback received at the hearings, MDHHS staff plan to meet to discuss the possible addition of certain diagnosis codes under which an individual may be deemed “medically frail.”

Impact if waiver extension amendment is not approved

As currently directed by PA 208 of 2018, the Healthy Michigan Plan must end if the Section 1115 Waiver Extension Amendment is not approved by CMS within a year of submission, though MDHHS staff indicated that members of the legislature have expressed a willingness to re-examine the legislation if this occurs.

Behavioral Health Updates

Lynda Zeller shared the following updates related to recent activities of the Behavioral Health and Developmental Disabilities Administration (BHDDA):

- MDHHS is working to implement an Opioid Health Home pilot program in Michigan’s Prepaid Inpatient Health Plan (PIHP) Region 2.
- The department is continuing efforts to increase beneficiary access to state psychiatric hospitals. The state convened the Michigan Inpatient Psychiatric Admissions Discussion (MIPAD) workgroup to discuss this issue, and it has now become a nationwide initiative coordinated by the National Association of State Mental Health Program Directors (NASMHPD) known as Beyond Beds. MDHHS staff and meeting attendees discussed this issue at length.

Section 298 update

A leadership group consisting of the Executive Directors of the four Community Mental Health Services Programs (CMHSP) as well as the CEOs of the seven partnering MHPs involved in the Section 298 initiative for the integration of physical health and behavioral health services has been meeting to discuss a financial model and managed care models for the pilot programs. In addition, several sub-groups have been formed to discuss various components of the pilot models, including technology needs, policy updates, reporting, and finance. MDHHS is also working with a team to evaluate the pilot models in order to move forward with the demonstration project, as well as moving forward with implementing the 76 policy recommendations contained in the final report that was submitted to the legislature in 2017. Additional information about this process is also available on the MDHHS website at www.michigan.gov/stakeholder298.

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Pharmacy Benefits Manager

MDHHS is in the process of reviewing bids for a new pharmacy benefits manager contract, which is currently held by Magellan. The department expects to announce the contract award winner in the near future. In response to an inquiry, Kathy Stiffler indicated that MDHHS does not currently require MHPs to return supplemental rebates that they receive to the State and will require the MHPs to deny pharmacy claims for non-enrolled providers. The department has no plans at this time to require MHPs to follow the State's formulary for prescription drugs. MDHHS continues to seek public comment on the current Medicaid Health Plan common formulary once per quarter and make changes based on stakeholder input.

Non-emergency Medical Transportation (NEMT)

MDHHS also plans to submit a Request for Proposal (RFP) by October 1, 2018 for a new NEMT contractor to serve Medicaid Fee-for-Service (FFS) beneficiaries in Wayne, Oakland and Macomb counties. The new contract will take effect April 1, 2019. The current contract is held by Logisticare.

Provider Enrollment Requirements

MDHHS currently requires providers billing Medicaid FFS to be enrolled with Medicaid to receive reimbursement for services. This requirement is not in place for MHPs at this time, but MDHHS will require the MHPs to begin denying claims from non-enrolled providers beginning January 1, 2019. MDHHS will also begin denying pharmacy claims from non-enrolled providers billing through Medicaid FFS and MHPs beginning July 1, 2019. In response to an inquiry regarding whether atypical providers will be required to enroll with Medicaid to receive payment for services, MDHHS staff indicated that discussions have taken place on this issue, but no date for implementation has been set.

Policy Updates

A policy bulletin handout was distributed to attendees and the following updates were discussed:

- Bulletin MSA 18-24 – Reinstatement of Adult Hearing Aid Coverage; Update to Disposable Hearing Aid Batteries and Replacement Earmold Coverage
- Bulletin MSA 18-21 – Timely Hearing Requests
- Proposed Policy 1825-HKD – New Dental Health Plan Choice for Healthy Kids Dental Beneficiaries
- Proposed Policy 1822-Pharmacy – Copayment Exemption for Drugs to Treat Mental Health Conditions and Substance Use Disorders
- Proposed Policy 1821-Lab - Ordering of Genetic Laboratory Services by Physician Assistants (PAs), Registered Nurse Practitioners (NPs), and Certified Nurse Midwives (CNMs)

The meeting was adjourned at 3:00 p.m.