



Michigan Department of Health and Human Services
Medical Services Administration

Medical Care Advisory Council

Minutes

Date: Monday, February 29, 2016

Time: 1:00 pm – 4:30 pm

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

Attendees: **Council Members:** Robin Reynolds, Karlene Ketola, Cheryl Bupp, Marie DeFer, Warren White, Cindy Schnetzler, Jan Hudson, Barry Cargill, Marion Owen, Alison Hirschel, Marilyn Litka-Klein, Robert Sheehan, Amy Zaagman, Elmer Cerano, Linda Vail, Rebecca Blake, Mark Klammer, Kimberly Singh, Dave Lalumia, Andrew Farmer, Eric Roath, Susan Yontz, (for Dave Herbel), William Mayer, April Stopczynski, Lydia Starrs (for Rebecca Cienki)

Staff: Chris Priest, Dick Miles, Kathy Stiffler, Lynda Zeller, Farah Hanley, Jackie Prokop, Brian Keisling, Erin Emerson, Pamela Diebolt, Cindy Linn, Michelle Best, Logan Dreasky

Other Attendees: Marc Arnold, Dominic Pallone

Welcome and Introductions

Robin Reynolds opened the meeting and introductions were made.

Update on Flint

The Michigan Department of Health and Human Services (MDHHS) has submitted a waiver request to the Centers for Medicare and Medicaid Services (CMS) to address issues related to the Flint water crisis. Pending CMS approval, MDHHS will:

- Expand Medicaid eligibility to children up to age 21 and pregnant woman who;
 - Are served by the Flint water system or were served by the Flint water system between April 2014 and the date on which the Flint water system is deemed safe by the appropriate authorities, AND
 - Have household incomes up to 400 percent of the federal poverty level (FPL). Individuals up to age 21 and pregnant women with household income above 400 percent FPL can buy in to unsubsidized coverage under the program.
- Establish a targeted case management group and services for children up to age 21 and pregnant women as described above.
- Utilize Medicaid resources for lead abatement in Flint.

The waiver documents are available on the MDHHS website at www.michigan.gov/mdhhs >> Section 1115 Waiver – Expanded Medicaid Eligibility for Flint Residents. Individuals may submit comments related to the waiver to MSAPolicy@michigan.gov until March 17, 2016. MDHHS expects that up to 15,000 individuals will be newly eligible for Medicaid coverage under the waiver, and is working with its health plan partners in the area on testing and outreach to vulnerable populations.

A council member requested that MDHHS consider submitting a State Plan Amendment to expand Children's Health Insurance Program (CHIP) coverage to lawfully present immigrant children and pregnant women in the Flint area who have resided in the United States for less than five years.

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Healthy Michigan Plan

Waiver Approval

MDHHS has received CMS approval for a second waiver related to the Healthy Michigan Plan. Under the terms of the waiver beginning April 1, 2018, which is 48 months after the initial implementation of the Healthy Michigan Plan, individuals who have been enrolled in the Healthy Michigan Plan for at least 12 months and have incomes above 100 percent FPL may either:

- Complete a Health Risk Assessment (HRA) and choose to engage in one or more healthy behaviors, and remain on the Healthy Michigan Plan, or
- Leave the Healthy Michigan Plan and receive insurance from the Federally Facilitated Marketplace (FFM).

Copayment and cost-sharing obligations for beneficiaries who elect to leave the Healthy Michigan Plan and receive insurance through the FFM will remain the same; however, they will only be eligible for reductions in their copayment and cost-sharing requirements if they remain on the Healthy Michigan Plan and choose to engage in one or more healthy behaviors. Wraparound services will be available to Healthy Michigan Plan beneficiaries who purchase coverage on the FFM through Medicaid Fee-for-Service. MDHHS must also seek approval for revised Healthy Behavior Protocols from CMS.

As discussed at the Medical Care Advisory Council (MCAC) meeting in November, Kathy Stiffler announced that MDHHS intends to distribute a Provider Satisfaction Survey for providers who actively participate with the Medicaid Health Plans in the spring of 2016.

A meeting attendee also requested that MDHHS allow beneficiaries to submit their own documentation related to the HRA and Healthy Behavior attestations instead of relying on the Medicaid Health Plans (MHPs).

FY2017 Executive Budget Recommendation

Budget Recommendation

The Governor recommended an appropriation of \$24.7 billion gross and \$4.4 billion General Fund (GF) for MDHHS in FY 2017, which accounts for an expected decline in traditional Medicaid caseload in FY 2017. Other highlights of the Executive Budget Recommendation include:

- \$26.3 million in spending to reflect cost increases driven by a new policy that expands autism coverage for children up to age 21
- \$118 million in spending for a 2% actuarial soundness rate increase for Medicaid Health Maintenance Organizations (HMOs) and a 1.5% increase for Prepaid Inpatient Health Plans (PIHPs)
- Approximately \$105 million in GF savings anticipated in FY 2017, FY 2018 and FY 2019 from the Healthy Michigan Plan hospital provider tax payments
- \$58 million revenue adjustment from the anticipated discontinuation of the use tax on December 31, 2016 and corresponding increase in the Health Insurance Claims Assessment (HICA) tax from 0.75% to 1%
- \$7.6 million to support opening a wing at the Center for Forensic Psychiatry in Ypsilanti to treat an additional 30 patients
- Approximately \$50 million Gross and \$4.9 million GF Information Technology (IT) funding for the Integrated Services Delivery (ISD) Model
- \$7.7 million GF for the Michigan State Automated Child Welfare System (MiSACWS)
- \$26 million Gross and \$9 million GF to expand the **Healthy Kids Dental** program in Wayne, Oakland and Macomb Counties to cover children up to age 21
- \$5.2 million reduction for the counties related to services for foster care due to the implementation of a county cost-sharing requirement
- \$4.7 million Gross and \$1 million GF to expand the current supplemental for food-related resources in Flint, including \$150,000 for food inspection costs

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- \$1.1 million to support Child and Adolescent Health Centers in Flint, including 6 additional Pathways to Potential Community Health Workers (CHWs)
- \$7 million Gross and \$5 million GF for behavioral health services in Flint
- \$1.5 million Gross and \$1 million GF for additional lead investigations
- \$2.2 million GF supplemental appropriation for Flint

In response to an inquiry regarding the proposed IT funding for the ISD model, MDHHS staff noted that the Department intends to streamline service delivery into a single system, and that existing systems are not being replaced.

A meeting attendee also asked whether additional funds will be made available to assist adults who have been exposed to lead in Flint. In response, MDHHS staff noted that most funds appropriated in response to the Flint water crisis are not age-specific, such as supplemental Community Mental Health (CMH) funding, and Local Health Department (LHD) funds for blood lead testing.

Specialty Drugs

The legislature has approved a supplemental appropriation of \$164 million Gross and \$46 million GF in FY 2016 for coverage of a new hepatitis C drug, and the Governor has requested an additional \$164 million Gross and \$45 million GF for continued coverage in FY 2017. MDHHS is expecting that approximately 7,200 beneficiaries will qualify for the medication. In addition, the Governor has requested \$66.3 million Gross and \$44 million GF for coverage of a new cystic fibrosis medication. Both medications are expected to become available on March 1, 2016.

Impact of Minimum Wage Increase

Farah Hanley reported that the Governor has requested funding for an adult home help provider wage increase in FY 2017. No funding has been requested at this time for a wage increase for direct care workers, though the Department has discussed the issue with the legislature.

Integration of Behavioral Health and Physical Health Boilerplate

The Michigan House of Representatives has held hearings to discuss section 298 of the FY 2017 Executive Budget Bill, which would require MDHHS to transfer funds currently provided to Prepaid Inpatient Health Plans (PIHPs) through the Medicaid mental health services, Medicaid substance use disorder services, and Healthy Michigan Plan – behavioral health and autism services lines to the Health Plan services line by September 30, 2017. The consensus is that while people believe there is a great opportunity to discuss whether the current system of integrating behavioral health and physical health is best organized to provide the best outcomes for beneficiaries, there are concerns about language that moves PIHPs and MHPs together. A workgroup has been called by the Lieutenant Governor, which is currently in the process of conducting a call for facts related to the proposed transfer of funds. Lynda Zeller encouraged the MCAC to share facts with her at zellerl2@michigan.gov. A meeting attendee requested that the workgroup consider incarcerated individuals who develop behavioral health issues that were not present prior to imprisonment.

Behavioral Health Updates

Certified Community Behavioral Health Clinics (CCBHCs)

Michigan has been selected for a planning grant to establish CCHBCs, which provide more comprehensive care than Community Mental Health Services Programs (CMHSPs). In order to be chosen as one of the eight states to receive final demonstration grants, MDHHS must submit a final application by October 31, 2016. A request for certification will be sent to clinics eligible to become CCBHCs in Mid-March, and the Department will choose the 10 applicants that present the best opportunity for success in the demonstration. MDHHS must complete all prospective CCHBC site visits by July 2016.

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Managed Care

Implementation of Rebid

Kathy Stiffler provided an update on the implementation of new MHP contracts, which became effective on January 1, 2016. MDHHS is continuing to work to develop resources to define MHP expectations in several areas, including coverage of Targeted Case Management (TCM) services for children with elevated blood lead levels. The new contract also includes plans to move coverage of Maternal Infant Health Program (MIHP) services into the MHPs effective October 1, 2016. Kathy noted that some MHPs have changed service areas as a result of the rebid, and offered to share a map of areas covered by each MHP with the MCAC (see attached map).

Common RX Formulary

MDHHS is working to implement a common drug formulary for all MHPs, and is on track to begin communications with beneficiaries regarding the transition on April 1, 2016 and complete the transition by October 1, 2016. The Department will provide an opportunity for interested stakeholders to submit comments related to the Common Formulary once each quarter.

Eligibility Redetermination Letter

MDHHS staff and meeting attendees discussed ongoing issues with the Medicaid eligibility redetermination process, including inconsistencies in the process among different areas, and beneficiaries with no change in income or assets being denied coverage upon redetermination. As a possible solution to this problem, a meeting attendee requested that MDHHS implement a simplified redetermination process for beneficiaries with no change in circumstances. Attendees also discussed the need for improved coordination among MDHHS and the MHPs for communication with beneficiaries regarding the redetermination process.

Since MI Health Link enrollees who lose eligibility upon redetermination may only be passively enrolled into an Integrated Care Organization (ICO) once per calendar year, MDHHS staff discussed the possibility of requiring ICOs to continue to provide coverage for these individuals for up to 90 days following redetermination. The Department also plans to issue a policy to allow a beneficiary to keep their case open while working through the redetermination process in both Modified Adjusted Gross Income (MAGI) and Supplemental Security Income (SSI) groups, as part of a systems release in June 2016. MDHHS staff and meeting attendees also discussed several ideas for improving the redetermination process, including the possibility of temporarily suspending redetermination while systems problems are addressed, the feasibility of using IRS tax returns for eligibility redeterminations and simplifying beneficiary notices and forms.

Long-Term Care Services and Supports Updates

MI Health Link

Dick Miles provided an update on the MI Health Link Program, and noted that enrollment is a concern. At the end of the passive enrollment period in September, total enrollment in MI Health Link included 42,500 beneficiaries, and has since declined to 32,800. In addition to the issues related to eligibility redeterminations experienced by many Medicaid programs, MI Health Link is also experiencing problems with enrollment discrepancies and systems glitches that MDHHS is working to resolve. Dick also shared that marketing will be a priority for the MI Health Link program in the future, in order to encourage more individuals to voluntarily enroll.

Nursing Home Transition

The State of Michigan was awarded a grant in 2009 to help with nursing home transitions, called "*Money Follows the Person*", and has since used those funds to transition 3,000 individuals. However, due to a recent reduction in funding by the federal government, MDHHS is currently in the process of developing a plan to reduce the size of the program.

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Level of Care Determination (LOCD)

MDHHS is currently considering the conflict-free LOCD, and has received funds for the project as part of the implementation grant for MI Health Link. However, some waiver agencies have expressed concern about how the new system will impact their processes. No successful bidders were received after the Department issued a Request for Proposal (RFP) for conflict-free LOCDs in the fall of 2015. MDHHS is in the process of working with CMS to determine CMS's legal authority for the conflict free LOCD mandate.

Policy Updates

A policy bulletin handout was distributed to meeting attendees, and several items were discussed.

Consumer Representation for 2016 Update

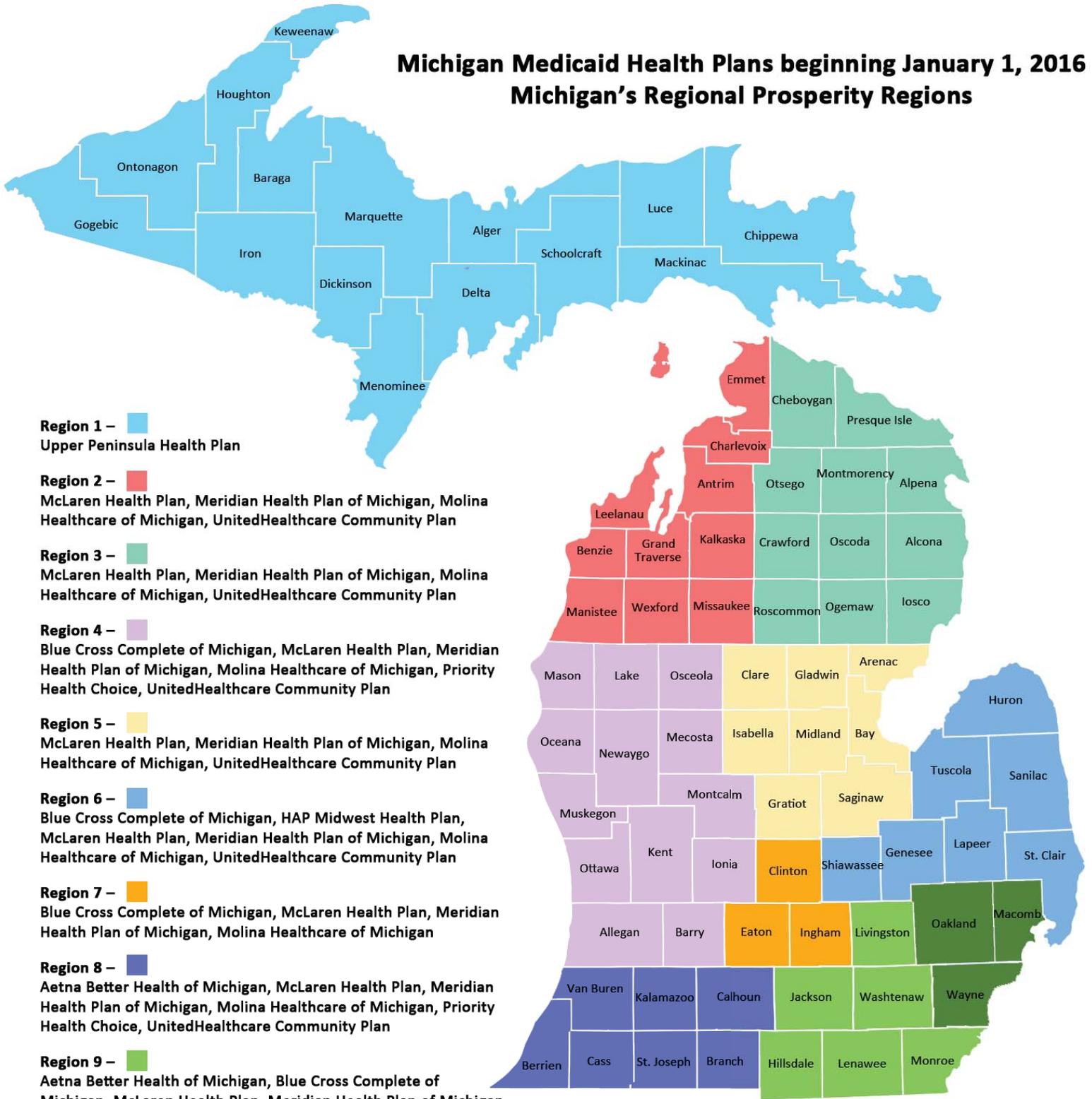
Robin Reynolds welcomed a new MCAC member as a consumer representative, and discussed with MDHHS staff and meeting attendees ideas for reaching out to other beneficiaries who may be interested in providing their input to the MCAC.

The meeting was adjourned at 4:00 p.m.

Next Meeting: May 10, 2016

Michigan Medicaid Health Plans beginning January 1, 2016

Michigan's Regional Prosperity Regions



Region 1 – ■
Upper Peninsula Health Plan

Region 2 – ■
McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, UnitedHealthcare Community Plan

Region 3 – ■
McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, UnitedHealthcare Community Plan

Region 4 – ■
Blue Cross Complete of Michigan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, Priority Health Choice, UnitedHealthcare Community Plan

Region 5 – ■
McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, UnitedHealthcare Community Plan

Region 6 – ■
Blue Cross Complete of Michigan, HAP Midwest Health Plan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, UnitedHealthcare Community Plan

Region 7 – ■
Blue Cross Complete of Michigan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan

Region 8 – ■
Aetna Better Health of Michigan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, Priority Health Choice, UnitedHealthcare Community Plan

Region 9 – ■
Aetna Better Health of Michigan, Blue Cross Complete of Michigan, Harbor Health Plan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, UnitedHealthcare Community Plan

Region 10 – ■
Aetna Better Health of Michigan, Blue Cross Complete of Michigan, Harbor Health Plan, McLaren Health Plan, Meridian Health Plan of Michigan, Molina Healthcare of Michigan, Total Health Care, UnitedHealthcare Community Plan