



Michigan Department of Health and Human Services
Medical Services Administration

Medical Care Advisory Council

Meeting Minutes

Date: Tuesday, June 25, 2019

Time: 9:00 a.m. – 12:00 p.m.

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

Attendees: **Council Members:** Chris George, Barry Cargill, Alison Hirschel, April Stopczynski, Amy Zaagman, Jeff Towns, Marie Armstrong (for Deb Brinson), Dawne Velianoff, Kim Singh, Kristen Reese, Bill Mayer, Melissa Samuel, Vicki Kunz (for Marilyn Litka-Klein), Alan Bolter (for Robert Sheehan), Stacie Saylor (for Rebecca Blake), Kelly Bidelman (for Mario Azzi), Linda Gibson (for Jim Milanowski)

Staff: Kate Massey, Joneigh Khaldun, Kathy Stiffler, Farah Hanley, Erin Emerson, Brian Keisling, Brian Barrie, Jeff Wieferich, Jackie Prokop, Marie LaPres, Pam Diebolt, Cindy Linn, Phil Kurdunowicz, Erin Bancroft, Steve Prichard

Other Attendees: Joe Pawluszka, Salli Pung, Randy Walainis

Welcome, Introductions, Announcements

Jackie Prokop opened the meeting and introductions were made. Following initial introductions, Kate Massey was introduced as the new director of the Medical Services Administration, and Dr. Joneigh Khaldun was introduced as the Michigan Department of Health and Human Services (MDHHS) Chief Medical Officer and Chief Deputy for Health. Ms. Massey and Dr. Khaldun each shared opening remarks, and attendees recognized Kathy Stiffler for her service as Acting Medicaid Director.

MCAC Chair Update

MDHHS staff reported that the position of Medical Care Advisory Council (MCAC) chairperson is still open, and invited attendees to indicate if they are interested in serving in this role. Kathy Stiffler also recalled that the idea of appointing co-chairs for the MCAC was discussed at the previous meeting.

Department Update

Kathy Stiffler shared that all leadership positions within MDHHS have now been filled, including three Chief Deputy positions:

- Chief for Administration – Elizabeth Hertel

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- Chief for Opportunity – Erin Frisch
- Chief Deputy for Health – Dr. Joneigh Khaldun

Budget Update

FY19 Budget Issues

On June 24, 2019, Governor Whitmer approved a supplemental budget for FY19 which provided funding for the following MDHHS priorities:

- \$3 million General Fund (GF) for public health services necessary as a result of lead and copper rule changes, including:
 - \$820,000 for public education;
 - \$484,000 for drinking water investigations in homes; and
 - \$1.7 million for water filters for families living in communities with elevated lead levels.
- \$5 million for census-related services.

Farah Hanley indicated that one or more additional supplemental budgets for FY19 are likely to be needed to ensure adequate funding for the state's entitlement programs.

FY20 Budget Status

Ms. Hanley provided an overview of the FY20 budget as passed by the legislature, and made a note of four areas of concern for MDHHS included in the House version of the budget, including:

- a 25% across-the-board cut to information technology (IT) funding for all agencies;
- proposed cuts to all areas of MDHHS that had surplus funds in FY19;
- a 3% across-the-board cut in administrative funding; and
- while the Executive Budget Recommendation included a request for \$10 million to fund the administration of Medicaid workforce engagement requirements, this amount was not included in the House version of the FY20 budget.

In total, The House version of the FY20 budget proposes a general fund that is \$107.5 million less than the Executive Budget Recommendation for MDHHS. Additional highlights from the FY20 Executive Budget Recommendation for the Medical Services Administration included in the House and Senate versions of the budget include:

- coverage for actuarial soundness;
- \$28 million for an adult home help wage adjustment;
- \$1.7 million for Medicaid neonatal rate increase to 80% of the Medicare reimbursement rate;
- \$5.8 million to increase Medicaid pediatric psychiatry rates to 80% of Medicare reimbursement levels;

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- \$40.5 million to increase MI Choice Waiver capitated rates by 5%, including an increase of 1,000 available Waiver slots;
- Reduction of \$19 million for the Medicaid Health Maintenance Organization Administration rate that was tied to the pharmacy benefit;
- Savings achieved as a result of limiting opioid prescriptions to a 7-day supply without prior authorization;
- Elimination of \$1.5 million funding for My Community Dental Clinics in agreement with the Executive Budget Recommendation;
- The Senate version of the budget concurred with the Governor's recommendation of 12 new full-time equivalent (FTE) positions to assist with forensic investigations, while the house version included only seven new FTE positions;
- \$2 million included in the House version of the budget for the Michigan Cares Behavioral Health Line; and
- The Senate version of the budget assumed \$8 million gross (\$2.5 million general fund) savings for autism cost containment.

Ms. Hanley advised meeting attendees that the legislature will convene a conference committee when the members return from recess to resolve the differences in the House and Senate versions of the FY20 budget. MDHHS staff and meeting attendees continued to discuss the details of the proposed FY20 budget, and attendees were encouraged to contact the members of the conference committee with any concerns about funding for MDHHS priorities. Alison Hirschel offered to draft a letter on behalf of the MCAC in support of the governor's budget recommendation for funding MDHHS IT systems. Attendees also suggested including in the letter support for restoring the legislature's proposed cuts to funding for all areas of MDHHS that had surplus funds in FY19, restoring the proposed cut to administrative funding, as well as support for the \$10 million requested by the Governor for funding the administration of Medicaid work requirements.

Behavioral Health Updates

Jeff Wieferich reported that the Behavioral Health and Developmental Disabilities Administration (BHDDA) is currently on track to receive Centers for Medicare & Medicaid Services (CMS) approval for its pending 1915(c) waiver renewal applications for an effective date of October 1, 2019. The waiver renewals include the Children's Waiver Program (CWP), Habilitation Supports Waiver (HSW) and Waiver for Children with Serious Emotional Disturbances (SEDW). One of the changes noted in the waiver renewal applications include a change to a capitated reimbursement model from a fee-for-service reimbursement model for CWP and SEDW. The waiver applications are currently posted for public comment on the MDHHS website at www.michigan.gov/MDHHS >> Keeping Michigan Healthy >> Behavioral Health & Developmental Disability.

In addition, BHDDA is preparing to submit a State Plan Amendment to move behavioral health community-based services that were previously authorized under the Managed Specialty Services and Supports 1915(b1)(b3) waivers to a 1915(i) State Plan Amendment.

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In response to an inquiry, Mr. Wieferrich indicated that BHDDA is continuing to work with the Department of Licensing and Regulatory Affairs (LARA) to develop Substance Use Disorder (SUD) treatment license requirements.

Section 298 Update

Erin Emerson reported that on June 12, 2019, MDHHS issued a press release to indicate that the Section 298 pilot programs to integrate behavioral health and physical health services will be delayed until October 1, 2020. At that time the Department also rescinded letter L 19-16, which was issued April 18, 2019 to Tribal Chairs and Health Directors as notice of intent to submit amendment applications for the Section 1115 Demonstration (Pathway to Integration), and Comprehensive Health Care Plan for Section 298 of PA107 of 2017. Due to the decision to delay the Section 298 pilot programs, MDHHS is not seeking an amendment to the Section 1115 Demonstration (Pathway to Integration) waiver at this time. Information regarding the Section 298 pilot has been removed from the Section 1915(c) Waiver applications for renewal of the Children's Waiver Program (CWP), Children with Serious Emotional Disturbance Waiver (SEDW), and Habilitation Supports Waiver (HSW), which have been re-posted to the MDHHS website for public comment at www.michigan.gov/mdhhs >> Keeping Michigan Healthy >> Behavioral Health and Developmental Disabilities Administration. Meeting attendees were invited to submit comments by July 15, 2019. Additional updates about the Section 298 process are available on the web at www.michigan.gov/stakeholder298.

Healthy Michigan Plan

Legislative Changes – Senate Bill 362 and 363

Meeting attendees were provided with copies of Senate Bill (SB) 362 and SB 363, which propose changes to the Healthy Michigan Plan. SB 362 proposes to allow Medicaid beneficiaries the entire month to report compliance with workforce engagement requirements in a given month, as well as to allow beneficiaries up to 60 days to report compliance for a previous month. SB 363 proposes to allow MDHHS to use administrative data that is currently available to the department to determine beneficiary compliance with workforce engagement requirements. MDHHS staff estimate that if the legislation were to go into effect that approximately 83,000 current Healthy Michigan Plan beneficiaries would be automatically counted as compliant with workforce engagement requirements and be exempt from manual reporting on a monthly basis. SB 362 and SB 363 have both passed in the Senate and are awaiting action in the House of Representatives.

Timeline Handout

Meeting attendees were provided with copies of a draft project timeline for the third waiver for the Healthy Michigan Plan and implementation of work requirements, and the document was discussed.

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Community-Based Organization Supports and Assistance

Kathy Stiffler shared that MDHHS is seeking assistance from community-based organizations to help educate beneficiaries on the new workforce engagement and Healthy Behavior and cost-sharing requirements for the Healthy Michigan Plan that will take effect on January 1, 2020. In particular, the Department would like to conduct focus groups in which beneficiaries review printed informational materials to assess their understanding of MDHHS communications for the new requirements. To assist with this process, Ms. Stiffler requested that meeting attendees share suggestions for community-based organizations that could partner with MDHHS in these efforts. The Department also plans to conduct informational webinars for providers and the general public to provide information on this process.

Health Risk Assessment (HRA) Unit

MDHHS staff shared that to assist with implementing the healthy behavior and cost sharing requirements for Healthy Michigan Plan beneficiaries who have been enrolled in the program for 48 cumulative months and have incomes above 100% of the federal poverty level, the Department will allow the Medicaid Health Plans to complete the HRA on behalf of their members. In addition, the Department will re-establish the HRA unit to assist beneficiaries who have lost coverage and subsequently complete the HRA process.

Long Term Care Updates

Brian Barrie provided updates on the following issues related to Long Term Care:

- Passive enrollment of beneficiaries into the MI Health Link Demonstration for individuals who are dually eligible for Medicare and Medicaid has resumed following a temporary suspension to address systems issues. Additionally, MDHHS is in the process of discussing with CMS and interested stakeholders the potential for continuing the MI Health Link demonstration beyond its current sunset date of December 31, 2020.
- MDHHS is continuing work to implement a Managed Long-Term Services and Supports program, which includes working with five different design teams to address quality improvements that were included in the chart report and reaching out to various stakeholder groups for input.
- MDHHS has received funding to conduct a feasibility study of public-private partnership options for the implementation of Managed Long Term Services and Supports. The Department is planning a public forum to discuss this process to be held in September.
- The Department is also continuing to explore the implementation of an Electronic Visit Verification (EVV) system for personal care services.

Universal Caseload Update

MDHHS staff provided an update on the implementation of a universal caseload process for handling public assistance cases. The universal caseload system works by allowing a pool of caseworkers to handle pooled cases, rather than assigning each case to a caseworker whom

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clients must call, often leaving a message. The universal caseload program began in Michigan with a pilot in February 2018 and rolled out to 50 counties by October of 2018. The 50 counties are now grouped into 10 areas, known as geo-groups, each of which serves individuals from the entire area. While the goal of universal caseload implementation was to enable more reliable service for beneficiaries and greater efficiency, the Department has experienced a large volume of backlog in workload that staff have been working to resolve. Some changes that have been implemented to address this issue include implementing new call technology with a voicemail system and staffing a live call center from 9 am to 3 pm Monday through Friday. MDHHS is also working to collect feedback on the new system from local Department offices, as well as beneficiaries in order to apply lessons learned.

Policy Updates

A policy update handout was distributed, and the following items were discussed:

- Proposed Policy 1909-Dental – Clarification of Dental Anesthesia Policy
- Bulletin MSA 19-09 – Update to the Coverage of Certified Nurse Midwife Services
- Bulletin MSA 19-10 – Program Enrollment of Clinical Nurse Specialists; Updates to the Collaborative Practice Agreement Utilized by Nurse Practitioners and Clinical Nurse Specialists.
- Bulletin MSA 19-13 – Beneficiary Co-Payment Increase for Outpatient Hospital Visits.

CGM Updates

Jackie Prokop also provided an update on the implementation of bulletin MSA 19-04 – Continuous Glucose Monitoring Systems, which was issued on March 1, 2019.

Other

A meeting attendee requested that staff distribute a copy of the MDHHS organizational chart to show MDHHS and MSA leadership to the members of the MCAC.

The meeting was adjourned at 11:50 a.m.