

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE

MEDICAL CARE ADVISORY COMMITTEE TELECONFERENCE MEETING
March 16, 2018

NCSU – McKimmon Center, 1101 Gorman Street, Raleigh, NC

TELECONFERENCE: 919-850-2822

The Medical Care Advisory Committee (MCAC) met at the NCSU McKimmon Center on Friday, March 16, 2018 at 9:00 am – 12:00 noon.

ATTENDEES

MCAC Members in Person: Gary Massey, MCAC Chairman, Marilyn Pearson, MCAC Vice-Chairman, Samuel Clark, David Tayloe, III, Stephen Small, Chris DeRienzo, Casey Cooper, Billy West, Linda Burhans, Ted Goins, Paula Cox Fishman

MCAC Members via Telephone: William Cockerman, C. Thomas Johnson, III, Duncan Sumpter

MCAC Interested Parties: Sarah Pfau, Angela Diaz, Peggy Terhune, Jean Andersen, Brendan Riley, Sonja Frison, Ann Rodriguez, Steve Owen, Sara Wilson, Steve Patterson, Michael Boskello, Meisha Evans, Ames Simmons, Mark Collins, Jeff Horton, Pam Perry, Matt Wolfe, Pam Shipman, Mary Short

DMA Staff: Dave Richard, Sandra Terrell, Jay Ludlam, Nancy Henley, Christal Kelly, Virginia Niehaus, Janice Norris, Jaimica Wilkins, Terri Pennington, Melissa Clayton, Patrick Doyle, Sabrena Lea, Debra Farrington, Kelly Crosbie, Betty Staton, Pamela Beatty

CALL TO ORDER

Gary Massey, MCAC Chair

- Gary Massey, MCAC Chair, called the meeting to order at 9:00 a.m. followed by a roll call of the members. Quorum declared. Chairman Massey welcomed and thanked everyone for their participation. Chairman Massey called for a motion to approve the minutes from the February 15, 2018 MCAC meeting. Motion to approve the minutes was made by Chris DeRienzo. Motion seconded by Steven Small. All were in favor of approving the minutes as written.
- Chairman Massey reminded the Committee to review the MCAC Written Report on Clinical Policy changes found in the meeting packet.
- Chairman Massey announced the following:
 - MCAC members have been appointed in Districts 9 (Ivan Belov) & 10 (Chris DeRienzo) and an At-Large member (Jenny Hobbs). An updated membership roster is in your packet. Due to prior commitments, Ivan Belov and Jenny Hobbs could not be with us today.
 - The MCAC Bylaws have been officially approved and signed off on by the DHHS Secretary, Mandy Cohen.
 - Chairman Massey turned the meeting over to Dave Richard, Deputy Secretary.

OPENING COMMENTS

Dave Richard – Deputy Secretary, DMA

- Dave expressed his appreciation to all in attendance of the MCAC meeting and those individuals participating by phone for their commitment to Medicaid.

- Dave highlighted the following items of importance:
 - Multiple meetings have taken place with the Joint Legislative Oversight Committee to provide updates on Medicaid Transformation and the day-to-day activities of Medicaid which included budget and enrollment updates. These meetings are available for you to listen in on and are held on the second Tuesday of each month at 1:00 p.m. while the General Assembly is not in session.
 - The Department also provides a significant amount of reports to the General Assembly based on issues that arise during the year, per their request. Recent reports have included: (1) PACE Program Study; (2) Medicaid Home Visits to Pregnant Women Pilot Program; and (3) Report on Medicaid eligibility and how we are managing the new requirements will be sent in the next couple of days. The Department will provide copies of these reports once we submit them to the General Assembly. We are also happy to present a detailed overview of these reports to the MCAC.
 - Dave acknowledged the work of the Legislative staff and members of DMA staff for their work to help ensure that we are running the most effective Medicaid program possible.
 - Dave reiterated the appointment of the three new MCAC members. Ivan Belov and Jenny Hobbs were not able to attend due to prior commitments. Dave asked Chris DeRienzo, who was in attendance, to introduce himself. Chris is a neonatologist. He stated that Medicaid is very close to home for him because the majority of his patients are enrolled in Medicaid. As the Chief Quality Officer of Mission, Chris has observed the Medicaid Transformation over the past two years and is very excited to be a part of it. He also expressed appreciation for being a part of the MCAC and looks forward to working together with the members.
 - Dave turned the meeting back over to Chairman Massey.
 - Chairman Massey asked Christal Kelly to present an update on the Medicaid Budget.

MEDICAID BUDGET UPDATE:

Christal Kelly, Associate Director, Financial Planning and Analysis, DMA

- Christal provided the following update.
 - Medicaid enrollment as of February 2018 is 3.7% higher than a year ago and slightly below what we forecasted. Currently, we have no concerns about enrollment growth.
 - Total Medicaid expenditures as of January 2018 were \$111.2 million higher than the prior year. The biggest drivers of the increase were hospital, skilled nursing facilities, physician, pharmacy and other claims related expenditures. Supplemental Hospital Payments, cost settlements, capitation, premiums and other expenditures have to do with timing.
 - Total Medicaid expenditures were 4.9% favorable to our Medicaid budget. Our current total Medicaid expenditures are \$397.2 million.
- Chris DeRienzo posed a question regarding the projection drivers and timing issues associated with supplemental payments and cost settlements. He asked whether they would remain favorable. David Tayloe asked for insight as to why actual enrollment is lower than the forecast. These questions led to a lengthy discussion amongst the group regarding the Medicaid budget.
- Dave Richard stated that there are multiple factors such as SPAs approvals, reprocessing of claims, and the economy that helped drive Medicaid enrollment and expenditures. We are running a \$14million Medicaid program with essentially no reserves. There is a legislative reserve account of \$180 million that if we were to overrun our budget, we could appropriate money from that to offset the overrun. However, Dave does not view the Department going to the General Assembly to appropriate that money. The Department tries to be conservative with forecasting our Medicaid budget and it appears that we will finish the year in the black, said Dave.
- Chairman Massey ended the budget discussion by encouraging DMA staff to be proactive as possible with the General Assembly in adjusting rates within the provider communities as we go into the next fiscal year and the Medicaid transition. This is a very critical concern to providers, stated Chairman Massey.

- Dave Tayloe added that provider reimbursement is 3% less than 10 years ago due to the cuts from the General Assembly.
- Ted Goins followed up by saying that the recruitment and retention for direct care staff (certified nursing assistants, dietary staff, and housekeeping) is a growing concern due to the low wages and could cause access to care and quality issues in healthcare. There are simply not enough people, said Ted.
- Dave Richard thanked the Chairman and others for continuing to push the Department and noted that there is strong support from DMA staff in these areas. Reimbursement issues affect not only the providers but the beneficiaries as well. We recognize that we need to do the right thing as we move into Managed Care to maintain the robust providers that we have.

ACCESS MONITORING REVIEW PLAN (AMRP) UPDATE:

Terri Pennington, Business Information Officer, DMA

- Terri commenced with a description of the Access Monitoring Review Plan (AMRP). The plan looks at access to care for a fee-for-service. This report is a requirement for States from CMS and is due in July 2018. There will be a 30-day comment period for feedback. Terri stated that this report is prepared in collaboration with Sandra Terrell, Clinical Director, and identifies Medicaid enrollment, rate reductions, provider types and access to care. Rate reductions for hemophilia drugs have recently been added to this report.
- The data for this report is almost complete. More information about the rate reduction for hemophilia will be available at the April meeting. A draft report will be made available as soon as possible to the MCAC along with a short presentation of its contents.
- Chairman Massey asked for comments from the group. There were none.

MEDICAID TRANSFORMATION UPDATE:

Jay Ludlam, Assistant Secretary, Medicaid Transformation, DHB

- Jay provided a high-level update on the Medicaid Transformation.
 - The Medicaid state agency is moving from a model in which we do the work to one that we are directing and overseeing the work that others are doing on our behalf. The Department will remain responsible and accountable for the Medicaid Program's success. A move to Managed Care is not a delegation of accountability. It is the delegation of the administrative responsibilities. The Department will hold health plans accountable and provide insight for this committee on what we are doing.
 - The Department has released the following concept papers:
 - (1) Network Adequacy Concept Paper
 - (2) Managed Care Benefits and Clinical Coverage Policies
 - (3) Beneficiaries in Medicaid Managed Care
 - (4) NC's Care Management Strategy under Managed Care
 - Jay said it is important to know that these policy papers serve different functions. They are organizing documents for the Department internally and helps us drive decision making as recommendations are made and to discuss various options available to our Medicaid Transformation design. They also play a role in our transparency initiative.
 - The Department reached a milestone in March with the procurement process for the PHP health plans. We issued an enrollment broker RFP with an April 13, 2018 due date. This is a competitive procurement where we are seeking independent third parties to act as choice counselors. Their role will be to connect families and their doctors with health plans. It is a very critical cornerstone to any Managed Care Program.
 - Jay asked Kelley Crosbie and Jaimica Wilkins to provide an update on the Medicaid Transformation Quality Management in Managed Care.

- Kelly Crosbie provided the following high-level details on the Quality Strategy:
 - (1) Quality Management which is the process by which we ensure quality and improve quality. The Department's goal is to advance high-value care, improve population of health, engage and support providers through innovation, whole person care and a well-coordinated system of care. We also want to look at medical and non-medical drivers of health.
 - (2) Quality Strategy which is our blueprint for how we intend to monitor quality. The federal government gives us a roadmap for all the different things we should be monitoring. The quality strategy will include several elements such as our goals and objectives for continued quality improvement as well as the quality metrics that will be used to measure performance.
 - Our goals, aims, and objectives include three fundamental things:
 - better care delivery;
 - healthier people and communities; and
 - smarter spending.
 - Chairman Massey commented on a missing piece; the "end of life" phase. It is a significant cost to the health system. We need to continue to challenge what Medicaid is doing with "end of life" as well. Kelly replied that the Department will tool that concern.
 - Vice Chairman, Marilyn Pearson, stated that better care delivery should include "the patient as receiving the right care, in the right place, and at the right time".
 - (3) Quality Drivers and PHP Accountability which includes performance targets.
 - Lastly, Kelly reported that the Department does have primary levers for quality performance under Managed Care which include the following:
 - Quality Measure Reporting
 - Quality Baselineing, Benchmarking, and Performance Target Development
 - Disparities Reporting and Tracking
 - Quality Assessment and Performance Improvement Programs
 - Value-Based Payment/Provider Incentives
 - Cross-cutting quality levers. We make sure that the plans are nationally accredited.
 - Chris DeRienzo voiced several points on the 64 quality measures and reporting.
 - David Tayloe added that often times, quality measures differ from pediatrics to adults and asked how will that be sorted out. Kelly responded that we are basing our measure sets off the national measure sets. The measures themselves are population driven and there are obvious differences. When we drive performance through our advance medical homes, we will have a standardized set depending on the populations served.
 - The Department will release a Quality Strategy Paper to CMS as well as our Provider Health Plan Quality Performance Paper.
 - Kelly introduced Jaimica Wilkins, who is very familiar with the Medicaid measure set as well as the continuous quality improvement process. Jaimica is going to work with our MCAC Quality Subcommittee and drive our external quality review (EQR) process.
 - David Tayloe urged the Department when choosing quality measures for practitioners to make sure that they are measuring something that is measurable such as vaccination rate or BMI.
 - Kelly discussed the charter and role of the MCAC Quality Subcommittee. The committee is comprised of physicians and quality leaders in our communities and will begin meeting in April 2018 and report back to the MCAC.
 - Steven Small asked if the MCAC, as an advisory committee, could provide a formal report with our recommendations. Chairman Massey stated that he is open to that conversation and thinks that it is an appropriate action by the Committee. He further stated that the members should interject their thoughts and assemble information to go on record as we proceed with the MCAC Subcommittees activities.
 - Chairman Massey reminded participants in the room and on the phones that subcommittee activities will be public as well. If they were not selected to participate on a subcommittee, their input is still valuable and wanted.

- Paula Cox-Fishman suggested adding “maintenance” under Healthier People and Communities listed in the “Overview of the Quality Framework” on page 6 of Kelly’s presentation. There is an issue with maintenance. Things do not need to get any better, they just need to be maintained.

MEDICAID SUBCOMMITTEES UPDATE

Debra Farrington,

- Debra stated that the MCAC subcommittees were established to engage a larger number of our community members in the Medicaid Transformation process. The subcommittee participants have been notified of their appointment to the subcommittees. Four of the six committees have been identified: Credentialing, Network Adequacy, Managed Care Quality and Beneficiary Engagement. These subcommittees are comprised of approximately 80 members. We are very excited about that.
- Appointments have not been made for the Behavioral Health and Provider Engagement Subcommittees.
- Co-chairs have been contacted by the Division of Health Benefits (DHB) leads about coordinating meetings and dates.
- There will be in-person participation as well as webinars for the public to participate as well.
- Chairman Massey encouraged MCAC members who are not already engaged in a subcommittee to please step up and do so by contacting Debra Farrington. Chairman Massey thanked Debra for her input and support of the MCAC subcommittees.
- Chris DeRienzo asked if the list of subcommittee members could be distributed.

PUBLIC COMMENTS

- Mary Short posed a question about the Benefits and Clinical Coverage Policy concept paper. Page 8 references the standard plans, behavioral health benefits and services that the plan is to cover. On page 9, Table 4 lists the clinical coverage policies the plan is to cover. It lists clinical coverage policy 8E: Intermediate Care Facilities for Individuals with Intellectual Disabilities. Mary stated that she is confused about why standard plans are covered if that is supposed to be a part of the tailored plan.
- Mary Short commented on Kelly Crosbie’s comment to Paula Cox-Fishman regarding quality measures and individuals losing their ability to perform ADLs. She further stated that the caretakers/support staff who provide PCS services to beneficiaries on the CAP and Innovations Waivers are actually doing their jobs. If they don’t, they can be arrested.
- Sonja Frison noted that there is no Behavioral Health representation on the MCAC Quality Subcommittee.

CLOSING REMARKS

- Chairman Massey reminded those on the call who are non-MCAC members to email Pamela Beatty stating their participation on the call.
- The MCAC web site has been updated with Committee members’ bios.
- Dave Richard thanked the group for their consistent voices and commitment to the Medicaid program and its policies as well as the public for their part in the discussions.
- Next MCAC meeting will be held on April 20, 2018 via teleconference. Chairman Massey thanked everyone for their participation. We are looking forward to the Subcommittees’ activities and the outcomes as we move forward.

MEETING ADJOURNED