

MEDICAL CARE ADVISORY COMMITTEE (MCAC) TELECONFERENCE MEETING
NCSU – McKimmon Center, 1101 Gorman Street, Raleigh, NC

TELECONFERENCE: 919-733-2511

Friday, June 15, 2018

The Medical Care Advisory Committee (MCAC) met at the NCSU McKimmon Center on Friday, June 15, 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, Ivan Belov, Billy West, Ted Goins, Paula Cox Fishman, Jenny Hobbs

MCAC Members via Telephone: Kim Schwartz, William Cockerman, Stephen Small, Linda Burhans, C. Thomas Johnson, III, David Sumpter

MCAC Interested Parties: Sarah Pfau, Ames Simmons, Jeff Horton, James Johnson, Polly Welsch, Adam Scholar, Jason (?), Millie Harding, Tracy Colvard, Chris Evans, Alex Clark, Martha Brock, Sonja Frison, Sally Cameron

DMA Staff: Dave Richard, Sandra Terrell, Melanie Bush, Jay Ludlam, Roger Barnes, Mona Moon, Nancy Henley, Patrick Doyle, Debra Farrington, Sabrena Lea, Wrenia Bratts-Brown, John Stancil, LaCosta Parker, Virginia Niehaus, Brandy Burns, Tara Myers, Melissa Clayton, Sharlene Mallette, Cassandra McFadden, Beverly Bell, Terri Pennington, Andrea Phillips, Betty Staton, Adrienne Clark, 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. Newly appointed MCAC Members, Jenny Hobbs and Ivan Belov, introduced themselves to the group.
- Chairman Massey called for a motion to approve the minutes from the May 17, 2018 MCAC meeting. Motion to approve the minutes was made by Kim Schwartz. Motion seconded by Samuel Clark. 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 stated that many of the current MCAC member terms will expire on August 1, 2018. The Department will begin the application process for appointing new MCAC members within the coming weeks. Current members who are interested in seeking reappointment will need to reapply by completing an application and submitting the requested documentation.

OPENING REMARKS

Dave Richard – Deputy Secretary, DMA

- Dave Richard expressed his appreciation to the MCAC members and Sub-committees for their dedication and welcomed Jenny Hobbs and Ivan Belov to the Committee.
- Dave presented an overview of the NC General Assembly (NCGA) approved 2018-2019 State Budget (effective July 1, 2018) and its impact on the Medicaid Program:
 - The Department requested several expansion items. The NCGA's budget did not include the expansion item to reduce the Medicaid coverage gap that the Department requested in the Governor's proposed budget. Small expansion items were included such as audits pertaining to Medicaid eligibility determinations at the county level.
 - The NCGA did not approve the Department's request to appropriate an additional \$28million of state money for the rebase of the Medicaid budget.

The minutes are a synopsis of the MCAC Meeting topics. Available presentations may be viewed for more details on the DMA Medical Care Advisory (MCAC) web page at: <https://dma.ncdhhs.gov/meetings-and-notice/committees-and-work-groups/medical-care-advisory-committee>

- The technical corrections bill mandated the Department to restore some adult optical services and increase rates for Personal Care Services (PCS) in the renewal of the NC Medicaid CAP/DA Waiver.
- Important items that the Department wanted to achieve in the NCGA pertaining to Medicaid Transformation include the following:
 - Behavioral Health Integration for whole-person care known as House/Senate Bill 403. This bill defines the details of how Medicaid operates the tailored plans along with the standard plans for behavioral health integration.
 - Requirement for LME-MCOs operating BH IDD Tailored Plans to partner with a health plan.
 - The House and Senate adopted and passed the NCGA Conference report.
- On June 22, 2018, the Department will issue its plan for Implementation of Behavioral Health and Intellectual/Developmental Disability Tailored Plans to the NC Joint Legislative Oversight Committee on Medicaid and NC Health Choice.
- The Department will report to the NCGA by October 2018 on a wide variety of items that were in the technical corrections budget bill.
- Chairman Massey opened the floor for questions and comments. Kim Schwartz commented on Behavioral Health integration and dual quality measures. Kim stated this is a major task and expressed her appreciation to the Department for its fortitude and dedication to move this process along with stakeholder engagement.

MEDICAID BUDGET UPDATE:

Roger Barnes, Chief Financial Officer, Medicaid

- Roger provided the following update.
 - Medicaid enrollment has tracked roughly in line with DMA's expectations to date. Medicaid currently have 2.63M enrollees. The largest area of growth is family planning.
 - Comparison of April year-to-date actual results vs. prior year: Total Medicaid expenditures were \$304.3m higher vs. the prior year, SFY2017. There was an increase in hospital, nursing home, and pharmacy expenditures.
 - Comparison of April year-to-date actual results vs. budget: Total Medicaid expenditures were \$385.7M or 3.5% favorable to the authorized budget.
 - Comparison of April Year-To-Date Actual Results vs. Budget: The use of appropriations totaled \$3.048B, which is \$158M or 4.9% favorable to the authorized budget.
 - Chairman Massey thanked Roger for his update and opened the floor for comments and questions from the Committee and interested parties.
 - Chairman Massey acknowledged the arrival of Dr. James H. Johnson, Jr., Guest Speaker. Chairman Massey asked Ted Goins, who was instrumental in securing Dr. Johnson for a presentation, to introduce him.

GUEST SPEAKER:

James H. Johnson, Jr.

Frank Hawkins Kenan Institute of Private Enterprise

Kenan-Flagler Business School

University of North Carolina at Chapel Hill

- Dr. Johnson thanked the Department for the work that it is doing and the opportunity to share with the group. Dr. Johnson commenced his presentation on "Aging as an Engine of Innovation, Business Development, and Job Creation in North Carolina". He stated that we must change the narrative on aging. It is a challenge as well as a huge opportunity. If we do not get this right, we are going to lose. Aging is the new jobs creation engine in our community and society. It will also allow people to age with dignity and in their own communities. Studies show that 95% of the aging population want to age in their own homes and stay out of hospital emergency rooms, expensive nursing homes, and long-term care facilities.
- Dr. Johnson's presentation included an overview of the following topics:
 - Leveraging the Silver Tsunami: Aging is a global phenomenon and not only in NC. We need to look at aging through the lens of globalization, said Dr. Johnson.
 - Key Drivers
 - Changes in longevity
 - Declining Fertility
 - Aging of Boomer Cohort
 - Gen X & Gen Y Crisis
 - Medical Care Cost Advantage

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- NC as a retirement destination (The beauty of NC is that we are a medical care cost advantage state between NY and Florida.)
 - Significant Aging in Place
 - NC demographic highlights to include the number of elderly, as a percent of population.
 - BIG Opportunities
- Dr. Johnson concluded his presentation with a discussion on opportunities for helping seniors age gracefully in their homes and communities.
- Chairman Massey thanked Dr. Johnson for his stimulating presentation and opened the floor for questions and comments. Dr. Johnson elaborated on questions and comments posed by Dave Tayloe, Kim Schwartz, Paula Cox-Fishman, and Ivan Belov, Sabrena Lea.

ACCESS MONITORING REVIEW PLAN (AMRP) UPDATE:

Terri Pennington, Business Information Officer, DMA

- CMS informed the Department that the official Access Monitoring Review report is not due until October 2019.
- The size of the report has been reduced to 83 pages. An executive summary page will be added to this report. A page entitled “Additional Considerations” will also be added for repeated information throughout the report. Information such as all data that is within two standard deviations below or above the mean will be put on this page. The call center information has been updated and will be moved to a link in next month’s version of the report’s update.
- Teri updated the group on overall information seen throughout the report over the timeframe of period of 2015 to 2017.
 - Primary care providers increased.
 - All primary care visits decreased overall.
 - Overall dental visits have decreased. However, dental visits for children remain stable.
 - Emergency department visits have decreased over time.
 - Inpatient adult visits have decreased while inpatient visits for children have remained stable.
 - Providers for federally qualified health centers, rural health centers, and health departments have increased.
 - Increased number of surgeons but a decreased amount of surgical visits
 - Decrease in urologists
 - Oncology providers remain stable; adult oncology visits decreased, child oncology visits are very low and remain constant.
 - Private duty nursing and infusion therapy have had gradual increases. There is a huge increase in therapy services.
 - The hemophilia drug rate reduction did not come in to affect until April 2018; therefore, I have no expenditure information.

MEDICAID TRANSFORMATION UPDATE:

Jay Ludlam, Assistant Secretary, Medicaid Transformation, DHB

- Jay provided a brief update on the Medicaid transformation status and key milestones in the program.
- Jay provided an overview of two additional important policy papers that the Department released since our last meeting: (1) “Prepaid Health Plans in Managed Care” and (2) “Supporting Provider Transitions to Managed Care”.
- The Department released an Enrollment Broker RFP and should be able to award that in the next couple weeks. He could not speak much about it because it is in procurement.
- An Ombudsman RFI has also been released. The RFI closes on June 26, 2018 and the Department is looking forward to receiving feedback, said Jay.
- Jay highlighted key milestones that needed to be completed in order for the Department to move forward: (1) PHP RFP, (2) PHP Licensure, (3) Behavioral Health Integration and, (4) III5 Waiver Approval by CMS. Negotiation with CMS continues on the latter. Legislation contemplates that we must complete the Managed Care (MC) rollout within 23 months after CMS’s approval of the Waiver.
- The Legislation contemplates that we will disband the Division of Medical Assistance (DMA) and consolidate under the Department of Health Benefits (DHB). This is an administrative change only; however, we will have new letterhead. DMA staff are not going anywhere and will continue in their roles. The transition will begin on August 2, 2018.
- Jay elaborated on questions posed from Marilyn Pearson, MCAC Vice Chair.

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MEDICAID SUBCOMMITTEES UPDATE

Debra Farrington, Senior Program Manager, DHB

- Debra Farrington stated that the Network Adequacy and Credentialing Subcommittees are coming to an end. A report on the work of those subcommittee will be provided to the MCAC. A survey will be issued to the participants and a summary of the results will be provided as well.
- The Quality Subcommittee is ongoing and will meet in July 2018 as well as the Beneficiary Engagement Subcommittee. All subcommittee meetings have been very successful and productive. The participants have been quite informed and very engaged. All webinars have been posted to MCAC web page.
- As the Network Adequacy and Provider Credentialing Subcommittees come to a close, we will launch the Provider Engagement & Outreach Subcommittee in August 2018. Debra presented a high-level review of that subcommittee and a proposed list of participants. Debra requested a MCAC member to lead the subcommittee. The list of participants for the Provider Engagement & Outreach Subcommittee was accepted as proposed.
- The Department has continued its outreach efforts with providers and has held numerous webcasts and have posted them to inform the public about specific information and garner feedback. The Department published a policy paper on "Supporting Provider Transition to Medicaid Managed Care". We reached almost 1000 providers and answered questions, said Debra.

MCAC PROVIDER CREDENTIALING SUBCOMMITTEE REPORT

Jean Holliday, Senior Program Analyst, DHB

- Jean Holliday provided to the MCAC a report on the Provider Credentialing MCAC Subcommittee and thanked Billy West, MCAC Member, for acting as Chairman of this subcommittee. Billy's support and leadership of the subcommittee was critical, said Jean. The subcommittee met four times from March through May 2018
- Jean's report highlighted the following items:
 - Background of the subcommittee, its composition, and purpose;
 - Recommendations received from the subcommittee;
 - Public comments received around the Credentialing Policy Paper -- Note: The Department will analyze this information to determine how it aligns with our program design, state and federal laws that may address the issue, and to understand its impact. DHHS Leadership will then make a decision on whether things are implemented or included in the design.
 - DHHS' response and action plans on how it will use the subcommittee's feedback.
- Jean will report on the MCAC Network Adequacy Subcommittee Report at the next MCAC meeting on July 20, 2018.
- Vice Chairman Pearson opened the floor to comments and questions. Billy West, MCAC Member, commented on the providers 3-5 year period accreditation.

PUBLIC COMMENTS

- None

CLOSING REMARKS

- Ted Goins made a motion that the direct care workforce crisis across health and human services be included on each agenda for updates about how the Department is addressing the issue, and continued discussions on the issue. The motion was adopted by consensus. This item will be added to future MCAC Meeting agendas.
- Jenny Hobbs asked that the reimbursement rates for the different CAP/DA levels of care and the last rate increase.
- Ivan Belov commented on the decrease of Certified Nursing Assistants (CNAs) in the workforce and the certification requirements. Because of the requirements and high cost to maintain a CNA license, many of them seek employment at Walmart and McDonalds, said Ivan.
- Jenny Hobbs expressed curiosity about the number of CNAs who are licensed and practicing as CNAs, in addition to the percentage of nursing schools that require CNA licensure as many schools no longer require CNA licensure.
- Vice Chairman Pearson reminded the group of the teleconference MCAC Meeting on July 20, 2018. She also reminded the group that the MCAC membership terms will expire on August 1, 2018 and they will soon receive information from Pamela Beatty on the MCAC nominations process.

MEETING ADJOURNED

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