

MEDICAL CARE ADVISORY COMMITTEE (MCAC) MEETING MINUTES
March 8, 2019

NCSU McKimmon Center, 1101 Gorman Street, Raleigh, NC
Teleconference: 919-733-2416

The Medical Care Advisory Committee (MCAC) met on Friday, March 8, 2019 (9:00 a.m. – 12:00 noon) at the NCSU McKimmon Center, Raleigh, NC.

ATTENDEES

MCAC Members: Gary Massey, MCAC Chairman, David Tayloe, Ivan Belov, Billy West, Duncan Sumpter, C. Thomas Johnson, Jenny Hobbs, Paula Cox-Fishman, Casey Cooper

MCAC Members via Telephone: Kim Schwartz, William Cockerham, Linda Burhans, Benjamin Smith, Samuel Clark

MCAC Interested Parties: Sarah Pfau, Glenn Hamilton, Anuradha Rao-Patel, Sheron Rankins, Atha Gurganus, Kelly Vogel, Mardy Peal, Anita Bachman, Tommy Newton, Steve ? (UNC), Steve Patterson, Sara Wilson, Paul Fox, Pam Perry, Jesse Thomas, Abigail Devries, Tara Fields, Jean Andersen, Corinna Miller, Kristen Dubay, Meisha Evans, Sarah Grimsrud, Angela Boykin, Dave Rossi, Elizabeth Hudgin, Chris Evans, April Morgan, Courtney Cantrell, Linda Kinney, Robert Rich, Bob Crayton, Jeff Horton, Jason Swartz, Chris Paterson, Julia Scheurich, Steve Johnston, Dave Boss, Pam Morgan Brent Hamilton, Linda Kinney

DHB Staff: Dave Richard, Sandra Terrell, Jay Ludlam, Debra Farrington, Roger Barnes, Melanie Bush, Mark Casey, Terri Pennington, Melissa Clayton, Patrick Doyle, Sharlene Mallette, 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 MCAC member roll call and introduction of staff and interested parties. Pamela Beatty declared a quorum. Chairman Massey welcomed and thanked everyone for their participation. Chairman Massey entertained a motion to approve the January 18, 2019 MCAC Meeting minutes. The minutes were approved by the Committee. Chairman Massey acknowledged the MCAC Written Reports and State Plan Amendments (SPAs) handouts for comments.

OPENING REMARKS:

Dave Richard, Deputy Secretary, NC Medicaid

- Dave expressed appreciation to the MCAC members for their commitment to serve on the Committee and was enthusiastic about having our Managed Care Health Plan partners present. Dave commended the Medicaid team for their work and with the onboarding of the health plans as we prepare to launch.
- Announced that Governor Cooper's proposed budget came out earlier this week and highlighted the following items.
 - In the DHHS/Medicaid section of the Governor's budget, you will see funds for many NC Medicaid Transformation items. It is a reflection of the partnership that the General Assembly and the Administration have had for years in terms of preparation for the launch of Managed Care.
 - The Medicaid rebase includes funds related to the Transformation and the following expansion items:
 - Opioid Crisis and Substance Abuse
 - Medicaid Electronic Verification System
 - Innovations Waiver Slots for Individuals with Developmental Disabilities
 - Medicaid Expansion to close the coverage gap for some 500,000 people in North Carolina. This is one of the Governor's top priorities.

- The other important piece in the Governor's budget is that there is no additional appropriation needed from the general fund or increase in taxes to pay for Medicaid Expansion, Dave said.
- The General Assembly has given the Department and Medicaid the authority to adjust rates within our available budget. We spent a significant amount of time with Secretary Cohen discussing the areas of priority and decided on increasing rates for physicians, pediatric dentistry, and ambulance transportation. In your packet you will see the State Plan Amendments (SPAs) to make these increases retroactive to January 1, 2019. The SPAs are now at CMS. Dave stated he is very pleased with the support received from the General Assembly pertaining to these changes.
- There is significant concern about the direct care workforce crisis across the state, and we will need to address that as well, Dave said.

MEDICAID BUDGET UPDATE:

Roger Barnes, Chief Financial Officer, NC Medicaid

- NC Medicaid enrollment is hovering around 1.7 million individuals. Roger said Medicaid is in a good position with enrollment. We are seeing slight declines from where we were last year at this time. The family planning group is growing as individuals are improving their economic status and moving from full Medicaid. AFDC under 21 is decreasing as some may be aging out and moving to other groups.
- Medicaid enrollment (forecast versus actual comparison) has tracked roughly in line with our expectations to date.
- Total Medicaid expenditures are about \$249 million higher compared to last year. The biggest growth that we see is in our hospital skilled nursing facilities. Pharmacy expenditures are less by approximately \$45.6 million in comparison to last year.
- Total NC Medicaid and Health Choice Program computable expenditures were \$330 million or 4% favorable to the authorized budget. We will end the year under budget, Roger said.
- Question was asked if the rate increases are included in the forecast? Roger responded no and further stated that the SPAs have been filed with CMS. The rate increase is projected to be in the system by the end of this State Fiscal Year (SFY). We will most likely have a recoup and repay after the SFY in July 2019 and will work with CSRA to get this done. The fee schedule will be updated by November 1, 2019.
- Roger ended his presentation by stating that the use of State Appropriations totaled \$108 million which is favorable to our authorized Medicaid budget. This includes claims, administrative funds, and our contract funds.
- Chairman Massey opened the floor for questions and comments from the Committee.

MEDICAID TRANSFORMATION UPDATE:

Jay Ludlam, Assistant Secretary, NC Medicaid

- Jay underlined the core vision for the Medicaid transition to Managed Care (MC) and highlighted numerous activities completed within the Division and as a part of the transformation to include: procurement of the PHPs, some technology, community engagement and working with internal staff to reorganize the work that they do to accommodate and support MC.
 - Prepaid Health Plans (PHPs) were awarded on February 4, 2019: 1) AmeriHealth Caritas of NC, Inc. 2) Blue Cross and Blue Shield of North Carolina, Inc., 3) United Healthcare of North Carolina, Inc., 4) WellCare of North Carolina, Inc., and 5) Carolina Complete Health, Inc. for regions 3 and 5. The Medicaid Prepaid Health Plans (PHPs) will serve Medicaid beneficiaries through Standard and Tailored plans.
 - The Standard plans will go live in phases to ensure staffing capacity if there are operational or technical hiccups. Phase 1 (includes regions 2 and 4) will go live in November 2019 and is centered around Raleigh and Wake County, where most staff is located. Phase 2 (includes regions 1, 3, 5 and 6) will go live in February 2020. Jay provided a reminder of the difference between the Standard and Tailored Plans as well as an extensive member timeline for rolling out Phase 1 and Phase 2.
 - The Division has published numerous policy papers, outlined our vision in the contracts with the health plans, and distributed other materials emphasizing our ambitious long-term goals of what the Division is trying to accomplish as we transition and transform NC Medicaid.

- Jay outlined the impact of Medicaid MC on our beneficiaries, the Department of Social Services (DSS), County Managers & Commissioners, and providers. The Division has engaged in conversations, meetings, and trainings with them at all levels to coordinate messaging and develop specific trainings that will assist them in understanding the impact that Medicaid MC transformation will have on them. Jay further stated that the Division is not changing the benefits covered under Medicaid but simply who is administering the Medicaid benefits. There will be carve-out services to include dental which will continue to be paid for by the fee-for-service program. The Division will work with providers to help them understand the carved-out benefits and claims billing. Jay touched on PCP auto assignments, Medicaid copayments, and the reduction of administrative burdens on families and providers. Continuity of care for our Medicaid beneficiaries is a big focus.
- The Division is working on a centralized and streamlined provider enrollment and credentialing process. We will be working closely with them to incorporate that in their operating model. The Division is also looking to review the health plans payment processes for providers. We want to ensure that the processes are transparent, timely, accurate and fair. A provider ombudsman assistance line will be established through our Medicaid Provider Operations team. Provider appeals procedures will be specified in a provider manual.
- Kim Schwartz inquired about the Ombudsman Program and how to contact the Ombudsman? Jay replied that the Division intends to release the RFP the week of March 11, 2019. The Ombudsman will be awarded, up and running by open enrollment to assist members through the enrollment and subsequent processes. The Enrollment Broker (ER) will direct individuals to the ombudsman as appropriate, provide health plan choice counseling and assignments.
- In addition to the MCAC subcommittees, we are establishing Advanced Medical Homes (AMHs) Technical Assistance Groups. Providers will have an opportunity to participate in these groups and provide us with feedback.
- Jay entertained various questions and comments from Committee members throughout his presentation.
- Chairman Massey asked Debra Farrington to edify the MCAC on what has been happening with the MCAC Provider Engagement Subcommittee.

MCAC SUBCOMMITTEE UPDATE

Debra Farrington, Chief of Staff, NC Medicaid

- The MCAC Provider Engagement & Education Subcommittee has been primarily looking at activities the Department will engage in over the coming months to ensure providers understand the Medicaid transition and are prepared to contract with the PHPs.
- MCAC members Thomas Johnson and Samuel Clark are representatives for the MCAC Provider Engagement & Education Subcommittee. This subcommittee meets on a monthly basis.
- One of the engagement strategies will be to facilitate contacts between the providers and the PHPs through potential meet and greets as well as other events. The Division is also proposing webinars, virtual office hours, and fact sheets with frequently asked questions. DHHS and NC Medicaid are determining how to appropriately resource this effort. We are having some conversations with AHEC about how they might support our provider education strategy.
- Multiple channels of communication, as often as possible, will be very important. Various association groups want to be a part of helping to facilitate that as well. We will reach out to them for their assistance.
- Chairman Massey encouraged the Division to keep associations in the loop.

NC MEDICAID ENROLLMENT BROKER UPDATE:

Sandra Terrell, NC Medicaid

- Sandra provided an overview of CMS' definition and requirements of an Enrollment Broker (EB) and how North Carolina is implementing it.
- The Division named Maximus as our Enrollment Broker. Maximus serves as EB for 17 other state Medicaid agencies including states that have the same DSS county model as North Carolina's.

- The EB is an unbiased, third party, independent contractor that will assist the beneficiaries in selecting a plan and a PCP.
- The Division's goal is to help stakeholders understand the EB's function and what makes a successful program. A major component of our EB is how beneficiaries are enrolled in a plan. State eligibility rules will not change. Department of Social Services (DSS) will still determine eligibility for Medicaid eligibles.
- Sandy provided a high level of the following topics:
 - Definition of Beneficiaries and Members
 - Eligibility and Enrollment for North Carolina Medicaid and NC Health Choice programs
 - Enrollment/Definition of Prepaid Health Plans (PHPs) and Provider Led Entities (PLEs)
 - NC Medicaid Fee for Services
 - Overview of MC Phases and the Soft Launch Dates in Regions 2 & 4.
 - Breakout of Regions by Counties
 - Understanding of MC Impact on Beneficiaries
 - Who is Enrolled in NC Managed Care
 - High-level Eligibility and Enrollment Process for New Enrollees Eligible for NC Medicaid MC
 - Auto Assignment if beneficiaries do not select a PHP. We anticipate 80% of beneficiaries will be auto assigned.
 - Medicaid Cards - beneficiaries enrolled in MC will only need one Medicaid card.
 - Timeline for launching Phase 1 (Region 2&4) and Phase 2 (Regions 1, 3, 5,6)
 - Focus on Health Literacy
 - Multichannel enrollment and assistance via web, phone, email, text and mobile apps. Beneficiaries will be proactively engaged at critical points to ensure they are enrolled as necessary.
 - Establishment of the EB Call Center to provide choice counseling for selecting a Primary Care Physician (PCP) and PHP.
 - ER Process Flow
- The Division's goal is to ensure a seamless and streamlined beneficiary experience. We will partner with county DSS office and community organizations to provide MC training. Distribution of understandable information and educational materials will be accessible for beneficiaries.
- Sandy entertained questions and comments from MCAC members throughout her presentation.

MEDICAID BENEFICIARIES WORKFORCE REQUIREMENT CHALLENGES

Casey Cooper, MCAC Member

- Casey Cooper provided an extensive discussion about the Eastern Band of Cherokee Indians (EBCI) options for Medicaid Managed Care and the anxiety that exists around the work requirements. Casey would like to raise the bar around that issue and how it can potentially impact the Tribal members as well as other populations within that group.
- Casey provided history about the Eastern Band of Cherokee Indians (EBCI):
 - Cherokee Indians are a small tribe (16,000 descendants of the Cherokee nation) in the western part of the State and is the only federally recognized tribe in the State.
 - The American Indians and Alaska Natives have a unique relationship with the United States and its connection to Medicare and Medicaid. We enjoy a wonderful relationship with NC Medicaid. Most of our sister tribes in this country do not enjoy such a healthy cooperative relationship, Casey said.
 - There are 12,000 active users in the Tribe's healthcare system. Approximately 4,000 patients have Medicaid. Our top three priorities are diabetes, substance abuse and depression.
 - Because of 1905B of the Social Security act, the Feds provide 100% federal match for all of the healthcare services that are provided to American Indians and Alaska Natives in the Medicaid program. There is no state match.
 - The provision of healthcare for American Indians has a legal and a moral obligation in the United States. Indian health is among the most underfunded public health systems in the country. Medicaid is used to supplement the underfunded system. Failure to expand Medicaid, and creating unnecessary barriers to enrollment, are in contempt of the legal and moral obligation of the United States.

- Casey underscored the fact that EBCI supports gainful employment and employs approximately 7,600 employees through their tribal programs in Sweeney, Jackson, and Cherokee counties.
- Casey concluded his presentation by stating that his objective was to share information so that we all can be more informed and participate in a narrative as we continue through the legislative process. Also, to request the MCAC's support of Medicaid Expansion; especially for American Indians, Alaska Natives, and to exempt American Indians and Alaska Natives from working community engagement requirements. Failure to expand Medicaid affects employment opportunities, economic development, housing development and competes with funding for education, said Casey.
- Chairman Massey thanked Casey for his time and edification of Tribal challenges and stated that the MCAC totally supports what is going on with the Tribes. Chairman Massey further stated that this is a piece of what the Committee does, to bring understanding to NC Medicaid about healthcare challenges. It is important to hear voices like Casey and others. Ted Goins has also brought to our attention the challenges with workforce, on a couple of different occasions. Chairman Massey opened the floor for questions and comments.
- Jay Ludlam commented that the Division engaged in conversation with CMS, during the 1115 Waiver negotiations, about an exception for the Tribe from work environments. CMS informed they could not grant that to us at the time without State authority.
- Casey responded that CMS has now changed its position. The Tribe was advised by the Tribal Technical Advisory Group that CMS will be looking to states now to request a waiver or an exemption from workforce requirements.
- Billy West made a motion that the MCAC support the EBCI and the State in requesting an exemption from workforce requirements for American Indians and Alaska Natives. Motion accepted, and all were in favor.

PUBLIC COMMENTS

- Mary Short made the following comments:
 - A posting could not be found of NC Medicaid's first Electronic Visit Verification (EVV) workgroup meeting with stakeholders held on February 7, 2019 as referenced in the MCAC Written Report, page 4, under Long-Term Services and Supports. Mary requested that the MCAC look into the fact that the public meeting was not posted, per her search on the Medicaid web site.
 - Page 5 of the Written Report talks about the CAP/DA program. Nowhere does it mention whether the legal guardian boxes are checked to be paid providers. It also mentions the CAP/DA waiver will increase to \$3.90/15 minutes. Mary stated that the old rate was \$3.88. That is a \$.02 increase.
 - Mary said, no disrespect to Billy West, but until and unless the wait list for the Innovations Waiver and the CAP/DA Waiver are eliminated, there should be no Medicaid Expansion. One of the tricks to eliminating the wait list for the Innovations Waiver would be to change the definition under level of care. You should be able to move all of your state funded IDD recipients to the Innovations waiver by simply changing the definition of level of care.

CLOSING REMARKS

- Chairman Massey announced that Chris DeRienzo, Ivan Belov, and Jenny Hobbs have been reappointed to the MCAC. Appointment letters from DHHS Secretary Cohen are in the mail.
- Chairman Massey asked the members to send an email notification to Pamela Beatty if they wish to waive their reimbursement for mileage.
- The next MCAC meeting will be held by teleconference on April 18, 2019. Additionally, Chairman Massey pointed out that the September 20, 2019 meeting is face-to-face and not via teleconference as noted at the bottom of the meeting agenda.

MEETING ADJOURNED