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(Prepared by: Mary Rhodes, DMA Policy & Regulatory Affairs)
**REVIEW OF STATE PLAN AMENDMENT**

*Dave Richard, Deputy Secretary, DMA*

- Dave thanked the Governor for his leadership.
- This meeting is to discuss the expansion of Medicaid through the State Plan Amendment process, not a waiver.
- The draft State Plans have been posted on our website under the “Get Involved” section on Friday, January 6, 2017.
- The staff has been working with CMS to ensure requirements are met to finalize the amendments.
- We are basing our plans on the Blue Cross Blue Shield Blue Options Plans on the Market Place.
- This plan meets most of the requirements for Medicaid Expansion and is a Fee for Service plan.
- The proposal is to go live January 2018.
- This plan is robust with some of the benefits not quite on the same level but will help more people have coverage.
- There is more detail in each State Plan Amendment.
- The Mental Health and Substance Abuse benefits do not include all of the enhanced benefits that are included in our State Medicaid plan; but, if one is deemed meeting the requirements as “Medically Frail” they will be allowed to participate in the Medicaid State plan.
- Sandy Terrell mentioned this will cover the age of 19 to 64.
- Per Dave 19-21 EPSDT would be in place for those who need it.
- We are spending a lot of time modeling the cost for the General Assembly.
- Our process is to continue to work with CMS for technical answers and to submit the State Plan Amendments early next week.
- The process will be the same as any State Plan Amendment.

**MCAC MEMBER COMMENTS**

- Gary Massey opened the floor to members of the Committee.
- David Tayloe – I am in favor of Medicaid Expansion. Is there an estimated age range breakdown of recipients?
  - Per Julia Lurche – The estimates are based on a study by the Urban Institute regarding impacts on uninsured.
  - They estimate about 624,000 would be newly covered under the expansion; about 40,000 would qualify under the current rule.
- Derek Pantiel – I agree that Medicaid Expansion is necessary. Looking at the geographics of individuals added to the system, what is the ration and can the influx be maintained?
  - Per Sandy Terrell – Because we have started monitoring access statewide, we will use processes to look at adequacies to cover the large number of beneficiaries.
- Roger Barnes – as we look at the cost, we have mapped out information to understand the challenges in the increased load while looking at the Access to Care issue.
- David Tayloe – are the provider reimbursement rates in line with the BCBS plan or with the current Medicaid plan?
  - Roger Barnes – We are currently using the current Medicaid rates and as we go into the future we will continue to consider the rates in relation to the needs.
- Billy West – I second or third the support for the expansion of Medicaid.
- Also, in the Mental Health world, at least with the MCO’s the Medicaid rates are somewhat problematic for things like Psychiatry where the hourly rate certainly surpasses the reimbursable rates. These services are very difficult to pay for on a fee for services basis. Medicaid expansion will leave more people covered; but, it is not helpful if they are covered at a rate that will not support. It’s going to be difficult to provide crises type services.
  - Dave Richard – We are in the beginning stages of the SPA and we have recognized the opportunity. We will have to work with the current Mental Health community to think about the way to pay and integrate these services.
Linda Burhans – I echo my support for Medicaid expansion. I want to make sure I understand that initially the two programs will be administered differently by DMA. Managed Care will continue; but, those under the expansion would have slightly different rules?

  o Dave Richard – That understanding is correct. The expansion population would have a different health plan administered by the same Division as those on the current Medicaid plan. As economic situations improve the opportunity to move to the expansion plan will be available.

Kim Schwartz – Thank you for the work on the I113 and for this expansion short term notice. I echo my support for Medicaid Expansion. My question is regarding exploring presumptive eligibility and not relying on local county systems to be able to manage that in the rural settings. Thinking of the enrollment process in a larger context, what can we do with the existing organizations that have a lot of safety net patients that would be eligible and how to expedite that with the existing infrastructure?

  o Dave Richard – Thank you Kim, we will be reaching out to your group and others for ways to answer those efforts.

Thomas Johnson – As I understand the expansion plan would run separate from the efforts to move the existing Medicaid plan under the Managed Care arena. Is there a plan down the road for the expanded plan to eventually be combined with the current plan and totally under the managed care model?

  o Dave Richard – Because the start date is January 2018, which is “pre” going live with our managed care program. We will explore the options to include the population; but, we have not gotten to that point yet but it will be part of the exploration.

Ted Goins – Do we know when we will hear from CMS? Will there be more questions from them and how does that process work?

  o Dave Richard – CMS has 90 days to respond and we are working hard to answer the draft plan questions so that when we submit formally the plans will be approved rapidly.

Gary Massey – Other committee member comments or questions?

  o Derek Pantiel – I just want to ask what do we do as a committee to help the initiative?

Gary Massey – The first step is support through endorsement which I will entertain and other interaction with legislature will be critical as well. Today, I hope we will come away with an endorsement for the plan.

Ted Goins – I would be happy to make a motion that we endorse this effort if that is the right language.

Gary Massey – Do you have a second? (Many answered) Can one of you that seconded the motion give your name for the minutes?

  o Kim Schwartz – I’m glad to second.

Gary Massey – If there are other questions or comments from the committee I would entertain that before we do a vote.

Casey Cooper – Mr. Chairman, if I may, before the questions are called – the Eastern Band is in support of Medicaid Expansion. I just want it to be clear and on record that we are in a formal consultation process and that my vote in support of this endorsement is contingent upon us adequately resolving all of the issues that are occurring on the table in our consultation process.

Gary Massey – Thank you Casey, so noted. Would other members like to raise a question or make a comment? So, if no other comments or questions, I would ask that all those in favor say “I” (multiple “I” votes); anyone voting no (none); anyone abstaining (none abstaining). I think we have a unanimous vote of support, please let the minutes reflect that, please.

Gary Massey – We have about 15 minutes left. If the public would like to make a comment at this time, please state your name and we will entertain those comments at this point.

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