The Medical Care Advisory Committee (MCAC) met on Friday, December 12, 2014 at 9:00am via teleconference no. (919) 850-2820.

ATTENDEES
Dr. Karen Smith, Dr. Marilyn Pearson, Dr. Hans Hansen, Rudy Dimmling, C. Thomas Johnson, III, Susan McCracken, Ted Goins, Gary Massey, Mary Short, Jeff Weegar, Erica Nelson, Dr. Robin Cummings, Sandra Terrell, Melanie Bush, Sheila Platts, Angela Taylor, Sabrena Lea, Kelsi Nick, Jeff Horton, Teresa Smith, Pamela Beatty

CALL TO ORDER
Dr. Karen Smith, MCAC Chair
• Meeting was called to order at 9:05 am with welcoming remarks followed by introductions of participants.

OPENING COMMENTS
Dr. Robin Cummings, Medicaid Director-DMA
• Opened the meeting with an update on the realignment of the Division of Medical Assistance in an effort to move ahead with the Medicaid Reform efforts. Announced that the DMA Medicaid Director position is now the Deputy Secretary of Medicaid reporting directly to the Secretary of Health & Human Services allowing more oversight and accountability.
• Announced the appointment of three DMA Leadership positions: Trey Sutton, Director of Finance; Sandra Terrell, Director of Clinical Policy, and Steve Tedder, Director of Business Information. The recruit continues for Directors of the Operations & Compliance and the Oversight Departments.
• Addressed the hot topic surrounding the Medicaid Reform as to where should the Medicaid Program reside? Should it be separate from the Department of Health and Human Services (DHHS)? Dr. Cummings commented that the Medicaid Program is making great progress on the path that is on and indicates success. The Department will ask the General Assembly for continuance on the current path and allow DMA to remain with DHHS.
• The Department continues to promote an Accountable Care Organization (ACO) model for the NC Medicaid Program.

NC FAST UPDATE
Angela Taylor, Director – NC Fast
• Data as of November 30-December 1, 2014, indicate that there are pending Food and Nutrition Services (FNS) applications remaining. FNS Recertification workload is down.
• Counties are working diligently and have hired additional staff to concentrate on the final legacy conversion of records. Applications will be sent to NC FAST in a more consistent and steady stream.
• Ninety-five percent of new Medicaid applications were processed in NCFAST with 5% in EIS.
• HealthCare.gov Open Enrollment began on November 15, 2014 – February 2015. As of date, 8,500 applications have been received and 2,000 processed.
• Total of 14,000 Medicaid application currently pending in NC FAST and EIS.
• Total of 240,000 Medicaid applications pending recertification.

The minutes are a synopsis of the MCAC Meeting topics. All items are an update of the program area since the last meeting. Dates vary dependent upon reporting period. Available presentations may be viewed for more details on the DMA Medical Care Advisory (MCAC) web page at: http://www.ncdhhs.gov/dma/mcac/index.htm.
MEDICAID BUDGET UPDATE
Rudy Dimmling/Rod Davis, DMA Finance

- Provided a year-to-date analysis of the total expenditures for Medicaid, Health Choice and Medical Assistance Special Funds. Expenditures included claims, check write payments, actual expenditures vs. budget and are on track for the first quarter of SFY2015.
- Primary drivers of the $528 million budget were increased medical assistance payments, enrollment growth, enrollment backlog, and drug spending. Aged, blind, and disabled groups represent 20% of overall enrollment.
- DMA's revenue projection process has changed with the utilization of a new budget model forecasting expenditures by accounts, months, and program categories.
- Dr. Cummings noted that Alvarez & Marsal's (A&M) newly created budget model process is very strong, more collaborative, transparent, and not being done in isolation. Allows Fiscal Research, OSBM and DMA to work with one model.
- The Division's Finance Department has been restructured with a newly established Financial Planning Analysis Unit to ensure the capable handling of the new sophisticated budget model and to improve the overall transparency of DMA Finance.
- The Department is confident that the Medicaid Program for SFY15 will come in under budget.

PACE UPDATE
Sabrena Lea, Assistant Director-Facility, Home and Community Based Services, DMA
Wrenia Bratts-Brown, Program Manager, CAP/DA & PACE, DMA

- On December 1, 2014, StayWell became the 11th certified PACE program serving the Randolph County area.
- DMA is working to finalize a strategic plan for PACE growth as well as expand its current training & communication processes.
- Average monthly recipient for CAP/C is 1,488 beneficiaries.
- Average monthly recipients for CAP/DA is 10,166 beneficiaries; total slots allocated for state is 11,214.
- Anticipate a merger between the Community Alternatives Program for Children and Disabled Adults waivers in July 2015.

TRAUMATIC BRIAN INJURY (TBI) WAIVER UPDATE
Deborah Goda, IDD Clinical Policy Manager, DMA

- Session Law 2014-100 instructed the Department of Health & Human Services - Division of Medical Assistance (DHHS-DMA) to draft a TBI waiver for presentation to the Legislature by February 1, 2015. Waiver will be submitted in draft to the Centers for Medicare and Medicaid (CMS) for technical assistance.
- Purpose of the waiver is to provide community alternatives for traumatic brain-injured individuals who are in skilled nursing facilities and hospitals.
- Proposed an array of services for beneficiaries in conjunction with Medicaid state plan services.
- Presented a comparison of North Carolina’s estimated beneficiaries and costs for TBI services to other states. New York had the most robust program. NC’s TBI population is estimated to be half of New York’s.
- If this legislation moves forward it will be a 5 year project with 122 participants in a step progression to expand beneficiaries over time.
- Recommendations for submitting the waiver: (1) start small and expand over time based on North Carolina’s estimated cost of services (2) discuss further with stakeholders (3) develop relations between Veteran Administration & Local Management Entities (LMEs) and Managed Care Organizations (MCOs).
- DMA will continue to work with stakeholder groups in conjunction with NC Brain Inquiry Advisory Council, hold listening sessions and webinars to ensure the TBI community needs are met. Response to public comments will be added to the MH/DD/SAS website (http://www.ncdhhs.gov/MHDDSAS/providers/1915bcWaiver/index.htm).
- Information not covered in the PowerPoint for this presentation will be posted to the MCAC web page.
APPROVAL OF MINUTES
• August 22, 2014, minutes will be approved at next meeting due to the lack of a quorum.

PUBLIC COMMENTS
• Staff addressed comments from Mary Short pertaining to long-term services support for IDD community and Home & Community Based Services (HCBS) rule for the elderly.

SUGGESTED AGENDA ITEM FOR NEXT MCAC MEETING
• Dr. Cummings recommended having John Stancil, Pharmacy Director, provide an update on pharmacy/specialty drugs’ impact on DMA’s budget. Dr. Smith requested that John also address: (1) true costs that go into the development and utilization of pharmacy drugs, (2) cost containment and necessary advocacy to keep costs at a level that people can obtain these drugs and have them be effective.

ADJOURNMENT
• Meeting adjourned at 10:57 am.