

**MO HEALTHNET OVERSIGHT COMMITTEE MEETING
NOVEMBER 18, 2008**

**205 JEFFERSON STREET
JEFFERSON CITY, MO 65101**

Members in Attendance

Steven Bradford
Gwendolyn Crimm, Co-Chair
Fredrick DeFeo, MD
Steven Lipstein, Co-Chair
Heidi Miller, MD
Laura Neal
William Thousand, DDS
The Honorable Joan Bray
The Honorable Rebecca McClanahan, RN
The Honorable Rob Schaaf, MD
Joe Parks, MD, DMH
Deborah Scott, DSS
Mary Wehrle, DHSS (alternate)

Members Absent

Craig Frazier
Shawn Griffin, MD
Debra McCaul, MD
Joseph Pierle
The Honorable Charlie Shields

Others in Attendance

Amy Schwartz, Behavioral Health Concepts
Missy Waldman, Legal Services Eastern MO
Tiajuana Henderson, Legal Services Eastern MO
Joel Ferber, Legal Services Eastern MO
Tom Holloway, MO State Medical Assoc.
Dwight Fine, MO Hospital Association
Deanna Bozlant, HCH
Tom Harrison
Amy Woods, UMC Center for Health Policy
Karen Edison, MD, UMC Center for Health Policy
Sarah Madden, Attorney General's Office
Pamela Johnson, Missouri Care
Denise Peters, Molina
Martha Voodrif, Molina
Suzanne Weller, DRA
Dr. Chuck Hollister, MHD Provider

MHD Staff in Attendance

Ian McCaslin, MD, MPH
George L. Oestreich, PharmD, MPA
Judith Muck
Marga Hoelscher
Rhonda Driver, RPh
Sandra Levels
Lisa Clements, PhD
Jayne Zemmer
Andrew Haslag
Debbie Kolb
Jay Bryant-Wimp, RPh
Karen Lewis
Beth McQuaide

DSS Staff in Attendance

Janel Luck, FSD

Chelmer Barrow, DO, APS Healthcare
Pam Victor, HealthCare USA
Kathy Knotts Truman Medical
Tim Swinford, MOCMAC
Megan Burke, Paraquad/DCHR
Steve Renne, MO Hospital Association
Illegible Signature, MOPA
Bob Finuf, Children's Mercy FHP
Seth Penman, MO Council for in Home
Angela Herman, MO PCA
Jim Burns, CMS
Jim Moody, Moody and Associates
Chris Moody, Moody and Associates
Tami Holliday, Hendren Andrae
Brent Gillstrap, MHD Provider

Welcome/Introductions/Minutes-Gwendolyn Crimm, Committee Co-Chair called the meeting to order at approximately 12:00 p.m. Ms. Crimm welcomed The Honorable Rebecca McClanahan as a new appointment to the Committee. Representative McClanahan addressed the Committee, expressing her eagerness to serve the group. A short biography was included in the meeting packet. Minutes were approved as submitted. It was

requested by Representative Rob Schaaf that follow-up to issues raised, particularly those during public testimony and noted in the minutes, be provided by MHD to the Committee.

Ian McCaslin, MD, Director MO HealthNet Division (MHD), welcomed: Mary Wehrle, alternate member for the Department of Health and Senior Services, Angela Herman, in attendance for Committee member Joseph Pierle, and Jim Burns, Centers for Medicare and Medicaid Services. Dr. McCaslin stated Senator Shields had asked that he convey his regrets for not being able to attend the meeting. Dr. McCaslin reported that MHD had been notified that Committee member Shawn Griffin, MD had relocated out of state. Although no official letter of resignation had been received, MHD plans to notify the Governor's Office in order to fill Dr. Griffin's position once his relocation is verified.

2009 Meeting Schedule-The meeting packet included a listing of proposed quarterly meeting dates and times for 2009. Members requested MHD explore alternate dates for May 2009 as the proposed date was during the final week of the Legislative Session. MHD will e-mail members possible dates for that meeting for consideration. All other proposed dates were approved and will be posted to the MHD web-page calendar of events. Meetings will continue to convene at 12:00 p.m. and adjourn by 4:00 p.m.

MO HealthNet-Progress/Status Report

Participant-Eligibility-Enrollment- Janel Luck, Division Director, Family Support Division, reviewed the MO HealthNet Participation Report meeting handout. She explained the report included participation numbers for October 2008, but also included numbers from the previous quarter for comparison. This format will be continued in future reports to allow the Committee to view shifts to participation. Ms. Luck responded to questions regarding the ability to produce information on the number of uninsured in the state. Ms. Luck responded that unemployment benefits might be affecting MO HealthNet eligibility when questioned about the economy and recent layoffs throughout the state and why participation numbers did not reflect the significant increase that one might expect.

Ms. Luck also provided an update to the on-line application process that was demonstrated at the August 5, 2008 meeting. She stated FSD is processing approximately 1000 on-line applications per month. FSD is moving forward with the next phase of the program which will allow participants to report changes using the on-line process. Ms. Luck noted that the Family Support Division recently received a *Food Stamp Performance Bonus* from the United States Department of Agriculture (USDA). This incentive payment is allowing them to move forward with the on-line program enhancements.

Following Ms. Luck's comments Representative Schaaf requested that the Department provide the Committee with data that would reflect the costs of increasing eligibility levels for all eligibility groups. Ms. Luck stated the Department would be able to provide this estimate.

Service Delivery

CCIP Metrics- George L. Oestreich, PharmD, MPA, Deputy Division Director for MO HealthNet Division presented a PowerPoint presentation entitled "CCIP/ASO Outcome Overview." Dr. Oestreich introduced Chelmer Barrow, DO, Medical Director, APS Healthcare. Program history was summarized and desired outcomes from a Chronic Care Improvement (CCIP)/Administrative Services Organization (ASO) intervention reviewed. Dr. Oestreich summarized the engagement process and the services provided through the CCIP program. Slides included a map graphing the location of CCIP patients throughout the state. It was noted that the Southwest and Northwest areas of the state were not enrolled in CCIP in anticipation of the ASO contracts proposed for these regions. Medical, financial,

MO HealthNet Oversight Committee

November 18, 2008

Page 2

healthcare home and provider metric outcomes were discussed. Dr. Oestreich reviewed the methodology and report parameters noting the time period analyzed in these reports was July 1, 2007 through June 30, 2008. This time period allowed for 24,700 of the total 103,208 CCIP participants to have been enrolled for at least 12 consecutive months. Members were reminded of the disease states being managed by the CCIP program: Asthma, Diabetes, Coronary Artery Disease (CAD), Chronic Obstructive Pulmonary Disease (COPD), Congestive Heart Failure (CHF), Gastro-esophageal Reflux Disease (GERD), and Sickle Cell Anemia. Dr. Oestreich summarized metrics used to measure CCIP participant outcomes compared to MHD participants not enrolled in CCIP with the same conditions and presented slides graphing these comparisons. Dr. Oestreich and Dr. Barrow both noted that the program trends were on the right track to achieving benchmark goals for compliance on these measures. The presentation continued comparing the relative cost impact "off trend" for utilization of services. These slides included program enrollment, a trend analysis of total costs, trend analysis of emergency room utilization and emergency room costs, trend analysis of hospital utilization and inpatient costs.

In July 2008 the Division began enrolling all patients except those in the Northwest and Southwest regions into the Health and Wellness Program. Slides described enrollment numbers vs. eligibles through September 2008. Additional slides reported enrollees by risk level, identified healthcare homes, primary disease identified, participant numbers by region, a running total of assessments completed, call center activity, approved plans of care, and a quality indicator program. Dr. Oestreich summarized the presentation noting that a decrease in utilization and costs for hospital inpatient, and emergency rooms services was noted during the review period and that the average total monthly cost for the CCIP enrolled participant was below projection. It was also noted that appointment no show rates had decreased by greater than 50% for the CCIP enrolled participants. The frequency of recommended diagnostic testing and pharmacy utilization was consistently greater among program participants than non-enrollees. Issues and concerns were noted including: changes in contractor leadership during the beginning of the rollout, fewer-than-anticipated approvals of the electronic plans of care, general provider relations, communication and coordination of resources, IT coordination, and requirement that the report data be independently validated.

Dr. Oestreich discussed plans for the southern tier of MO HealthNet providing slides with geomapping of eligible participants in the region. Dr. Oestreich and Dr. Barrow responded to questions from the Committee including clarification of how a healthcare home is selected and how lessons learned through CCIP were used to develop the Northwest ASO RFP. Discussion ensued regarding the cost of the program and the plight of the uninsured as well as lack of coverage for smoking cessation. Mr. Lipstein questioned if the net dollars (dollars spent less savings generated) were made available through termination of the CCIP program, would additional individuals be covered? It was noted that these funds would not necessarily be appropriated for either coverage of currently uninsured individuals or for expansion of benefits, such as smoking cessation, as these decisions would require appropriation authority granted through the legislative budget process. Dr. McCaslin discussed the national controversy surrounding disease management programs in general. He stressed the value in emphasizing a team approach, building upon the strengths of the physician's office coupled with the additional benefit of informed health coaches and nurses. Dr. McCaslin cited a recent Health Management Associates published study evaluating the value of disease management programs and their record of producing program savings. This report will be e-mailed to each member for their review. Dr. Barrow addressed comments regarding the benefit the electronic plan of care provides MHD providers. Following these discussions a motion (Miller) and second (Schaaf) were made to recommend to the General Assembly that they support the Department of Social Services'

MO HealthNet Oversight Committee

November 18, 2008

Page 3

budget request to provide MO HealthNet coverage for smoking cessation, including funding for medications and counseling services. This motion passed unanimously.

Northwest Missouri Administrative Services Organization- Dr. Oestreich reported that Missouri Care/Schaller Anderson had been awarded the contract for the NW ASO. More detailed information concerning contract relationships in the region will be forwarded to the Committee members.

Managed Care Update-In response to interest from a number of parties from the Springfield area the MO HealthNet Division held four (Springfield, Joplin, Branson and West Plains) public forums in southwest Missouri to gather input on managed care expansion for children, pregnant women, and families in the area. The planned RFP for an ASO in southwest Missouri is on hold pending these discussions.

Dr. McCaslin gave an overview of the public forum presentation which focused on improving access to services, the quality of those services, and accountability to all Missourians. The forums included an explanation of managed care as well as a public comment period. Dr. McCaslin stressed at each meeting and to the Oversight Committee that no decisions have been made and there would be many steps required to make this change, including budgetary authority from the Legislature. Current service delivery in the area was compared to managed care stressing that overall these services are the same and that there would be no change in eligibility. Current managed care enrollment, state regions with managed care and what populations are eligible for managed care were detailed. Required benefits were summarized as well as additional benefits that managed care health plans can offer. The presentation discussed tools or lack of tools available to improve access and quality in the fee-for-service model and other potential ways for improvement other than managed care. Managed care quality provisions for service and performance standards were reviewed. Managed care annual member satisfaction surveys have indicated satisfaction ranging between 75 and 81 percent, which is similar to scores reported by those enrolled in Medicare Advantage Plans or commercial insurance plans.

Dr. McCaslin discussed frequently expressed concerns with managed care including provider perceptions and holding health plans accountable to provide the services. An overview of each forum was given detailing a summary of comments. There were no expressed champions of managed care conversion for SW Missouri. There was overall striking representation and opposition to managed care from the behavioral health community as well as relatively few comments similar to those expressed in the town hall meetings held earlier in the year that the current access to care for MO HealthNet participants is not uniformly acceptable. These comments and MO HealthNet's response will be detailed in the meeting minutes for each location and will be posted on the MO HealthNet web-page. The Committee was asked to share their thoughts with MHD. Dr. McCaslin responded to Committee questions. Members felt statistics showing comparison of costs for fee-for-service vs. managed care would be helpful and will be provided to Committee members. This discussion will continue with the incoming Governor's Transition Team and incoming legislature.

Provider Interfaces

Telehealth Presentation-Karen Edison, MD Medical Director of the Missouri Telehealth Network presented a PowerPoint presentation entitled "Missouri Telehealth Network: Advancing Healthcare through Telecommunications." A biography for Dr. Edison was included in the meeting packet. Dr. Edison stated the Missouri Telehealth Network (MTN) works to: enhance access to care for underserved individuals in Missouri, provide

MO HealthNet Oversight Committee

November 18, 2008

Page 4

educational opportunities for healthcare providers, and further homeland security efforts related to disaster preparedness. Telemedicine is used as healthcare providers are in short supply throughout Missouri, many patients have significant barriers to accessing health care and high quality, and affordable technology is now available to deliver high quality care at a lower cost. Dr. Edison discussed the use of Telehealth in rural populations, representing nearly one-third of Missouri's total population.. Rural residents tend to be in poorer health and face more difficulty getting to health services with fewer physicians, hospitals and other resources available. Dr. Edison explained the semi-private network using the Internet to deliver a two-way interactive audio and video for the clinical encounter. Missouri Telehealth uses the Missouri Research and Education Network (MOREnet). A history of the Network was provided and a map detailing current and planned expansion coverage by county was shared. Dr. Edison discussed the equipment required and associated costs. Actual equipment was available in the room for the members to examine. Dr. Edison spoke to the importance of technology use to meet growing healthcare challenges. Dr. Edison responded to questions regarding telemedicine services.

Committee Responsibilities

Health Information Technology Report- Judith Muck, Deputy Division Director, reported on the SB 577 requirement for the MO HealthNet Oversight Committee to develop and report to the Governor and General Assembly on the expenditure of funds appropriated to the Healthcare Technology Fund. A copy of the Missouri Revised Statute 208.978 was included in the meeting packet. Ms. Muck stated the Division was able to use an existing contract with Fox Systems, Inc. to prepare this report. Highlights from the report included widely varying costs reported for use and maintaining interoperable technology, reflecting primarily the cost to implement electronic health records and electronic medical records. Ms. Muck noted costs for providers in Missouri appear consistent with national trends and range from \$5,000 to \$60,000 not including hardware, installation and training costs. Larger Missouri healthcare providers are moving toward interoperable healthcare technologies, including telemedicine, which is also consistent with national trends. Forty-five percent of respondents indicated that they will have interoperable technology operational by 2009. The top three barriers that prevent expansion are: lack of financial support, limited end user support/acceptance, and lack of staff resources. Finally, a total of \$7.3 million of the healthcare technology appropriation was expended in State Fiscal Year 2008 and dispersed to 57 different organizations by the Departments of Social Services, Health and Senior Services, and Mental Health. This figure far exceeded the requirement that the number of contractual awards not be fewer than the number of Congressional districts within Missouri. The most awarded to a single entity was 9.21% to the Missouri Primary Care Association, which contracted with 22 community health centers throughout the state. A full copy of the report was provided to each Committee member for review following the meeting. Mr. Lipstein asked members to contact him to determine how to proceed with the report following their review. A conference call to discuss could be convened if needed.

Other Business-Dr. McCaslin announced the Division filed proposed rule 13 CSR 70-15.200, the "never events rule," on November 17, 2008. The rule establishes the MO HealthNet payment policy for services provided by acute care hospitals or ambulatory surgical centers that result in a preventable serious adverse event or hospital or ambulatory surgical center-acquired condition, errors in medical care that are clearly identifiable, preventable, and serious in their consequences for patients. Dr. McCaslin acknowledged the contribution of the Missouri Hospital Association and Dwight Fine toward the development of this rule. The rule will be published in the *Missouri Register* December 15, 2008 for public comment. MHD will provide a copy of the rule to each Committee member.

Dr. McCaslin reported that appointments to the Professional Services Payment Committee were underway and the Division hoped that the first meeting of the group would be during the first quarter of next year.

Dr. McCaslin responded to a question from Representative Schaaf regarding SB 577 requirements for an independent study on participant health and wellness indicators, provider network demographics and satisfaction with MO HealthNet by providers and participants. The University of Missouri Columbia's Center for Health Policy in collaboration with the St. Louis School of Public Health has been commissioned to provide this report.

Open Public Comment-Joel Ferber, Tiajuana Henderson and Missy Waldman with Legal Services of Eastern Missouri addressed the group. Ms. Henderson summarized how Legal Services of Eastern Missouri serves as an advocate for family health, described typical clients of the advocacy program in Eastern Missouri, referral sources, types of cases, the most frequent problems identified, case examples, and concerns for the region. Handouts about these services were provided to each member of the Committee. Ms. Waldman spoke further about the ombudsman program and the working relationship they have with managed care organizations in their region. She asked the Committee to consider and resolve the financial burden placed on those who lose eligibility because they do not understand the system. Mr. Ferber summarized and provided copies of a letter to Dr. McCaslin regarding suggestions and concerns from Legal Services of Eastern Missouri as the State moves forward with new RFPs for MO HealthNet managed care. Mr. Ferber highlighted the suggestions to carve out pharmacy and dental services as well as EPSDT treatment issues.

Brent Gilstrap, an independent behavioral health provider who attended the recent public forums in Southwest Missouri, provided comment. Mr. Gilstrap expressed appreciation to the Division and Dr. McCaslin for their openness and willingness to listen. Mr. Gilstrap provided details of his experiences with managed care and behavioral health issues in the hospital. He stated managed care limits allow 5-6 inpatient days and cited a recent example when a patient was sent back into the community with unresolved issues. He stated the Southwest region was unique in that there was a monopoly with two large hospital systems in the area.

Dr. Chuck Hollister, a behavioral health provider who was in attendance at the Springfield public forum, stated Dr. McCaslin had provided a fair summary of the discussions. He stated the Springfield area is a closed, hospital controlled system. He felt that Springfield providers were well-informed regarding managed care through experiences with the expansion in neighboring counties. He felt providers needed to protect access, quality, and choice in the area. Managed care provider reimbursement was also of concern. Dr. Hollister stated he felt the current fee-for-service program was "fixable" and that he feared the Division was moving in the wrong direction toward managed care. Dr. Hollister cited Dr. Lisa Clements', Clinical Director Psychology Program, willingness to work with providers as an example of the benefit of fee-for-service. He again stressed the need for behavioral health representation on the Committee as he has done at previous meetings. Discussion ensued regarding the current membership, which includes a Psychiatrist and a Licensed Clinical Social Worker.

Representative Schaaf requested clarification regarding fee-for-service documentation for behavioral health visits. Dr. McCaslin responded that appropriate documentation is a requirement in order to protect patient safety, promote quality, and ensure accountability. In concert with the MO HealthNet Program Integrity Unit, as part of ongoing routine audit processes, samples of behavioral health provider-specific documentation are reviewed by a MO HealthNet Oversight Committee

November 18, 2008

Page 6

child psychiatrist for legibility and adequacy. Representative Schaaf asked Dr. Hollister if he had recently been audited by the MO HealthNet Division and wondered if these audits might have been related to his public comments. Dr. McCaslin assured everyone in attendance that the Program Integrity Unit is a functionally free-standing unit in the MO HealthNet Division and further noted that the Unit routinely audits numbers of varying provider types in the Division's commitment to reduce waste, fraud, and abuse. He stated that the Division Director's office does not direct the process whereby specific individual providers are brought under review. The Program Integrity Unit has not routinely been represented at MO HealthNet Oversight Committee meetings. One Committee member and one general audience member then relayed their organization's experiences with the audit process and expressed their support for the integrity of the audit process.

Questions/Adjourn-Copies of all PowerPoint presentations presented and meeting handouts will be available on the MO HealthNet Web-page. The meeting adjourned at 4:00 p.m.