

**TITLE XIX ADVISORY COMMITTEE MEETING
Medicaid Purchasing Administration
January 21, 2011**

Conference Call

MINUTES

Members Attending

Claudia St. Clair, Chair
Gerry Yorioka, MD
Eleanor Owen
David Gallaher
Thomas Trompeter
Joan Brewster
Dean Riskedahl, DDS
Kyle Yasuda, MD

Members Not Attending

Lan Nguyen, excused
Mike Hassing, excused

Staff

Doug Porter, Administrator, HCA/MPA
Jim Stevenson, Communications Director, HCA/MPA
Thuy Hua-ly, Director, Division of Rates and Finance, HCA/MPA
Tonda Taylor, Executive Secretary, MPA
Maria Nardella, Maternal and Child Health, DOH

Guests

Hugh Ewart
Huy Nguyen
Bob Perna
Mary Looker

Approval of Minutes and Agenda

The agenda was approved.

The November 19 meeting minutes were approved.

Administrator's Report

Waivers

Doug announced that the Centers for Medicare and Medicaid Services had officially approved the Transition Bridge waiver, but that there was little time to celebrate because the Basic Health and Disability Lifeline-ADATSA programs are up for elimination on March 1.

It's not clear how that will shake out. In the Legislature, the Senate is trying to save the Basic Health program, while the House is working to save Disability Lifeline.

Staff is also working with CMS on developing alternate payment methodologies to replace fee-for-service payments for aged, blind and disabled clients. The state will apply for a new federal grant from the Centers for Medicaid Innovation to demonstrate how these changes should improve outcomes for clients.

Doug talked briefly about the “Big Waiver” and said he probably would not be ready to submit to CMS until July. This is a waiver that would allow the state to use larger co-pays in order to change client and provider behaviors – supporting the use of less-expensive generic drugs or limiting use of emergency rooms to emergency cases. Bob Perna asked if the kind of incentivizing Doug referred to would apply mostly to individual physicians or other providers, especially hospitals and the appropriate use of Emergency Rooms. Doug replied that “everything is on the table.” He said targets would also include unnecessary ER services as well as unnecessary hospital admissions and readmissions.

Budget Update

Thuy Hua-Ly, Division of Rates and Finance Director, outlined the major cuts in the House supplemental budget. The House did not eliminate Disability Lifeline, Basic Health or the Children’s Health Program, a state-funded-only program that primarily covers undocumented children.

As far as the Legislature’s decision to trim back state payments to Federally Qualified Health Centers and Rural Health Centers (FQHCs/RHCs), there is more work to be done. Thuy said Medicaid is still working with the clinics on an alternative payment methodology.

Doug was asked whether a State Plan Amendment (SPA) had been submitted. He said the SPA was still a draft and would need revisions.

HCA/MPA Merger

Doug said the Governor is proposing the Health Care Authority as a Single State Agency (SSA), to eventually include mental health and long-term care. Plans for the future include moving Medical Assistance’s 080 funding code out of DSHS and place it in HCA, along with staff (about 725 employees). Mental Health and Chemical Dependency are not scheduled to move this year; Doug said he would prefer to wait until those divisions’ move is fully mapped out and can be undertaken smoothly.

There was brief discussion about moving the Department to electronic solutions to provide better coordination across state agencies. Variation drives up the cost for practices responding. Kudos went out to Melodie Olsen concerning the initiative aimed at recruiting more providers to focus on Electronic Health Records (EHR). This is a program funded almost entirely with federal grants aimed at encouraging providers to move toward meaningful use of these systems.

Under the funding formula, the grants will come entirely from federal funds, but the state is required to pay 10 percent of the administration cost. Doug was asked if he is seeing any sign in the Legislature that the state might balk at even that small amount because of the fiscal crisis. Doug said he had not heard that but would check in with Rich Campbell, CIO and Director, Division of Systems and Monitoring, concerning the rumor.

Budget Challenges

David Gallaher discussed a personal dental issue/emergency that involved diagnosing a tumor through x-rays. He said it made him realize what can happen if people don't have access to dental care.

Eleanor stressed that we must all do the best we can concerning the reality of the situation and budget climate we are in.

Dr. Dean Riskedahl asked if the Governor will bring back adult hearing and vision. Doug said it is realistic for the Governor to bring it back, and she has proposed doing that effective July 1, 2011. He won't know anything more until about April.

Doug said the budget fights are worse than most years and that this kind of budget building is new territory for us. If the Legislature doesn't pass a bill soon or at least by March 1, the Governor may opt for another across-the-board reduction. He said the Governor is heavily engaged with the budget writers and is holding weekly meetings with leadership to get them to act quickly.

Gerry asked about the waiver that Rhode Island received and if this was an opportunity for Washington state. Doug said that this waiver was structured as a block grant. While he said he didn't know all the details, block grants tend to be short-term winners and long-term losers. Also, Rhode Island only has about 200,000 clients – making it more comparable to a county or small city, not a state like Washington.

There was brief discussion on the "Transitional Bridge" waiver if Basic Health is preserved. Doug said it is still in jeopardy. He said there is some discussion with Senator Cantwell's office and the possibility of working out federal funding and philanthropic enterprise, among other creative solutions; however, Doug said this is a long shot.

Huy asked about a proposal for CMS and dual-eligibles. Doug said that involves a planning grant and we hope to be one of 15 states to receive that. We should know more by February 1.

Huy also asked about stakeholder engagement with CMS. Doug shared that ADSA and MPA are conducting a joint effort. He personally hasn't been involved in this collaboration, rather relying on his team to work out the details. Preston Cody is the lead for MPA, and MaryAnne Lindeblad is the lead for ADSA.

Gerry asked if there was any change in the GA-X? Doug said no.

Maria Nardella expressed her concerns for providers affected by the proposed March 1 elimination of interpreter services. Kyle agreed and predicted there would be a shift of non-English speaking families from physician offices to emergency rooms in hospitals, where there are more likely to be interpreters. He wondered if it is possible to set up a cost study to study the interpreter cut and its consequences.

Doug said the forecasting process will capture data at six-month intervals. The cost offsets will not go unnoticed.

Doug asked members to think about outreach and education and consumer engagement and how we can effectively do this: educating consumers on how to use health care services, especially the high-cost Medicaid clients (top 5%), as well as how to reach state employees on redesigning their health benefits.

There was brief discussion about the basic brochures used in the past and the need for more effective consumer interaction. Jim Stevenson said he would work on this request.

The next meeting is a face-to-face on March 18, 2011, and the location is to be determined.

Meeting adjourned at 9:30 a.m.