

Medical Assistance Advisory Committee  
Wednesday, January 12, 2011

State Staff Attending: Vivianne Chaumont, Jenifer Roberts-Johnson, Susan Buettner, Roxie Cillessen, Anne Harvey

Members Attending – Dr. Joe Acierno, Dr. Scott Applegate, Mary Barry-Magsamen, Heath Boddy, David Burd, Joni Cover, Ed Erickson, Tami Frank, Lynette Helling, Ron Jensen, John Milligan, Ed Schneider, Natalie Torrez, Dr. Dale Zaruba

- I. Review of November 10, 2010 Meeting Minutes – approved as written.
- II. Department Issues – handouts attached to minutes
  - A. Psychiatric Residential Treatment Facilities (PRTF) – Roxie Cillessen briefly explained the history around PRTFs in Nebraska. Handouts included a one-page explanation and a copy of our compliance plan that CMS has verbally approved. In 1995, treatment services were provided through at-risk managed care and facilities were in compliance at that time. In 2002, Nebraska moved to managed care where the vendor (Magellan) is not at risk and CMS has different rules for that. We need to make changes to the way treatment is provided and how we pay for the services. We have verbal approval from CMS that they will approve our plan and have until July 2012 to come into compliance. There have been meetings with the PRTFs to explain the rule and help them understand what is expected of them and what they will need to do to come into compliance. We are conducting a gap analysis and will share with each PRTF their results. There is also a new therapeutic group home model for those facilities under 16 beds.
  - B. Medicaid Recovery Audit Contracts (RAC) – Anne Harvey, Program Integrity Office, said Health Care Reform laws mandate that recovery audit contracts have to be expanded to Medicaid as an extra auditing body for CMS. They will look at claims and identify underpayments and collect overpayments. The RFP is being written and we will be doing a waiver. The State Plan Amendment (SPA) was submitted in December. CMS wants the program implemented by April 1. Mr. Burd said the Nebraska Hospital Association submitted a comment letter to CMS regarding their concerns. He asked if some of those concerns could be addressed within the RFP the State is putting together. Dr. Zaruba asked who the ultimate decision maker is and who would the appeal go to. Ms. Harvey replied that we have not received enough guidance from CMS to know for sure yet. No new state dollars will be spent. We will pay them for identifying underpayments, but not more than is collected back.

Ms. Harvey said the NCCI (national correct coding initiative) was also a mandate from the Health Care Reform law. We have issued a Provider Bulletin and are working to get the system ready. She asked that if association have publications you send your members please include information about the NCCI.

- C. Co-pays – Ms. Chaumont said our regulation states that if a client doesn't pay the co-pay the provider still has to provide the service. She asked for thoughts about that requirement and about deleting that requirement. Discussion included that if we charge co-pays or raise current co-pays we would be in favor of repealing the regulation. A Provider Bulletin was requested to provide education about who can be charged a co-pay and who can't be charged a co-pay. Ms. Chaumont explained that managed care has no co-pays. The co-pay issue comes up the most in pharmacies. Federal rule sets the highest co-pays for a physician or pharmacy at \$3.40. Discussion ensued over how practices and pharmacies deal with the co-pay issue. Ms. Chaumont asked that members start thinking about this issue and we will discuss further.
- D. Over the Counter Drugs – Ms. Chaumont said we had discussed whether Medicaid should be covering over the counter drugs (OTCs). She gathered data about how much we pay for an OTC and what we would pay for a prescription drug. The thought was originally that a physician wouldn't write for an OTC or a prescription for a different drug because the patient didn't need it. We are trying to match the Medicaid Program to health insurance, of which most don't pay for OTC drugs. A lot of states don't cover OTCs. When we looked at the whole picture we don't know if the OTC prescription would be replaced with a regular prescription. It doesn't seem that there's any savings there.
- E. Medical Home – Ms. Roberts-Johnson gave an update on the process at the Kearney and Plum Creek clinics. The State Plan is pending CMS approval. The public hearing for the regulations was held December 23. Staff have made site visits at both clinics. The January 11 kickoff was postponed because of weather. Consultation with clinics will follow the kickoff. The pilot implementation is scheduled for February. Ms. Cover asked if pharmacies could be added. Ms. Roberts-Johnson said the goal of the project is continuity of care. That the team in the medical office providing care for each individual will also work with mental health professionals, emergency rooms, and pharmacists that the patients see. They're included to that extent. But the pharmacy itself will not serve as the patient's medical home. Home health can be a part of this if a patient is receiving those

services. Every health care service should be included. Doctors are the coordinators of the care and serve as primary contact for the patient. The goal is that all providers will be talking to each other. In response to Dr. Zaruba's question as to how we will prove that the project is cost neutral, Ms. Roberts-Johnson said the idea is if we have better quality care we'll save money. The pilot outcomes that came out of the Medical Home Advisory Council are what the project will be evaluated on. Ms. Chaumont's concern is the short period of time the outcomes will be measured. However, other states have saved money. Mr. Burd asked what information will be sent to patient regarding the project. Some patients will get satisfaction surveys and will receive information about that. Dr. Zaruba asked how we will communicate before and after with patients. Ms. Roberts-Johnson will find out how they're planning to evaluate and send the information to Dr. Zaruba.

### III. Regulations Review – ICF/MR regs, Hospice regs, NF Hospice regs

ICF/MR fund payment – Ms. Buettner said the changes are based on statutory changes to come into compliance. The date in the regulation has been brought into consistency with the statute.

Children's Hospice care – Ms. Buettner said this regulation change was also based on statutory changes to bring us into compliance due to Health Care Reform.

### IV. Member Issues – Next month's agenda will include a budget update; Medicaid RACs and the RFP; more detail on NCCI; update on ACCESSNebraska; and update on legislative bills that concern Medicaid, including copies of the bills. We may also discuss services provided by registered dietitians.

Ms. Helling thanked Ms. Chaumont and her team regarding the enrollment process for insurance companies working with providers in home health. The contracts are now being entered correctly.

### V. Other Issues – Our next meeting is Wednesday, February 9, 2011, at 5:30pm in Classroom 1 at the Lincoln Medical Education Partnership, 4600 Valley Road, Lincoln, Nebraska.

### VI. Adjournment – adjourned at 7pm