

Medical Assistance Advisory Committee
Wednesday, September 14, 2011

State Staff Attending: Vivianne Chaumont, Ruth Vineyard, Susan Buettner, Barb Mart

Members Attending – Dr. Scott Applegate, David Burd, Joni Cover, Dr. Deb Esser, Tami Frank, Lynette Helling, Terri Melvin, John Milligan, Dr. Ed Schneider, Natalie Torrez, Dr. Dale Zaruba

I. **Review of August 10, 2011 Meeting Minutes** – Minutes approved as written.

II. **Department Issues**

A. **MCO Marketing Materials** – There were no comments or questions.

B. **Pharmacy Payment Methodology** – Barb Mart, the pharmacist in charge of the Medicaid pharmacy program, reported that pharmaceutical pricing has previously been based on dispensing fee and cost of the drug (AWP - average wholesale price). The vendor discontinued publishing the AWP so we needed to come up with new pricing. Wholesale acquisition cost (WAC) plus 20% is the AWP. We will now use WAC plus 6.8% and it will be cost neutral to the pharmacies.

We are also looking at updating dispensing fees in an effort to make it cost neutral for the Department. Currently we have 14 different dispensing fees with \$4.49 the average. After discussion, it was decided we will do a survey to pharmacists to determine number of prescriptions filled. We will then utilize that information in making a decision on how to change dispensing fees.

C. **Health Care Reform** – Ruth Vineyard gave a brief overview of the eligibility area of the ACA. The ACA has three new groups: former foster care children, adult expansion population and increase for children 6 to 19. ACA also requires use of the IRS' modified adjusted gross income (MAGI) for all categories except aged and disabled. We will update information as we receive it.

Ms. Chaumont reported that the final rules for RAC came out today.

D. **ICD-10** – Ms. Chaumont said the handouts regarding timely filing were emailed this afternoon and copies were distributed. She explained the exceptions aren't taken into account in these numbers.

Ms. Chaumont asked members if they approved the six-month claim filing timeline. It was unanimous except for Dr. Zaruba. This is a permanent change. We will give a great deal of advance notice. Ms. Chaumont will find out the reason(s) there are so many pharmacy claims not filed within 180 days and let Ms. Cover know.

- E. [Adult IMD Issues](#) – Ms. Chaumont explained the adult IMD issue and that Nebraska is out of compliance with federal law. A Corrective Action Plan (CAP) has been submitted to CMS telling them what our plan is (copies distributed). We are moving to at-risk managed care. We are meeting and working with providers and their consultant to come up with a plan by next July, award a contract in January 2013 and begin July 1, 2013.

- III. **Member Issues** – Dr. Zaruba suggested the Provider Bulletin regarding speech therapy be revised.

Ms. Vineyard will request Department of Insurance staff give a Health Insurance Exchange presentation at the October meeting. RAC will be on the Agenda and Ms. Chaumont will bring copies of the draft Medicaid Annual Report.

- IV. **Other Issues** – Our next meeting is Wednesday, October 12, 2011, at 5:30pm in Classroom 1 at the Lincoln Medical Education Partnership, 4600 Valley Road, Lincoln, Nebraska.

Meetings for 2012 are January 11, February 8, March 14, April 11, May 9, June 13, August 8, September 12, October 10 and November 14.

- V. **Adjournment** – adjourned at 7:15pm.