

**Medical Care Advisory Committee (MCAC)
November 17, 2015
SCDHHS, 1801 Main Street, Columbia, South Carolina 29202
10:00AM-12:00PM**

- I. Welcome by Agency Director
- II. Advisements
 - South Carolina Department of Mental Health (SCDMH) Rate Effective December 1, 2015
Jeff Saxon, Program Manager, Finance and Administration
 - *Renewal of two Waiver Programs*
Roy Smith, Program Manager, Community Long Term Care
 - Enhanced Prenatal & Postpartum Home Visitation Services
Megan Old, Project Manager, Project Management Office
- III. SCDHHS Deputy Updates
 - Jim Coursey, Chief Information Officer, Information Management
 - ICD-10
 - Bryan Amick, Pharmacy Director, Health Programs
 - Hospital Re-admission policy
 - Beth Hutto, Deputy Director, Eligibility, Enrollment, and Member Services
 - Eligibility, Enrollment, and Member Services (EEMS)
 - Adriana Day, Deputy Director, Finance and Administration
 - 2016 Year to Date Budget
- IV. Public Comment
- V. Closing Comments
- VI. Adjournment

**Medical Care Advisory Committee
August 11, 2015 Meeting Minutes**

Present

Susan Alford
Sue Berkowitz
Cindy Carron
Richard D'Alberto
Dr. Tom Gailey
Amy Holbert
Tysha Holmes
Bill Lindsey
J.T. McLawhorn
Gloria Prevost
Lathran Woodard

Not Present

John Barber
William Bilton
Dr. Charles Darby
Diane Flashnick
Dr. Greta Harper
Chief Bill Harris
Lea Kerrison
Melanie Matney
Dr. Kashyap Patel
Dr. Amy Picklesimer
Crystal Ray
Nathan Todd
Dr. Lynn Wilson

The Director welcomed members. He introduced a new MCAC member, Ms. Susan Alford who is the Agency Director of the Department of Social Services. He also introduced Mr. Jim Coursey the new Chief Information Officer for the South Carolina Department of Health and Human Services (SCDHHS). The Director mentioned that some MCAC recruitment letters have been mailed but stated we are still trying to finalize recruitment.

Jeff Saxon (Program Manager, Office of Finance and Administration) presented on the advisement regarding Inpatient/Outpatient Hospital Normalization effective 10/1/15 and Nursing Home Rates effective 10/1/15. There were no questions regarding this two advisements. Jeff also presented on the advisement regarding Disproportionate Share Hospital (DSH) effective 10/1/15. The following questions were asked:

1) Previously there were changes that had been implemented by the Federal government relating to the definition of uninsured. Is the Department of Mental Health (DMH) excluded?

Answer: No DMH was not excluded from the changes and in order to address this the agency created a separate DSH pool for DMH to protect them.

2) SCDHHS was looking at individuals when money was put in uncompensated pool. What happen to this?

Answer: SCDHHS has not addressed this and it needs to be revisited. Member stated they would like to sit down and discuss and Jeff agreed.

Gwendolyn Gaymon, (Program Manager, TPL Services) presented on the advisement regarding the Health Insurance Premium Program (HIPP) effective September 1, 2015. The following questions were asked:

1) If someone maintains private insurance, what happens to the co-payment?

Answer: Individuals have to be eligible for Medicaid to qualify for the HIPP. Individuals enrolled in HIPP will have Medicaid as the secondary payor. If the provider accepts Medicaid as a secondary payor the co-payment is negated.

2) Where is my wiliness to continue my private insurance when Medicaid may pay more?

Answer: Individuals enrolled in HIPP will have Medicaid as the secondary payor and providers have to accept Medicaid payments as payment in full.

3) How will you educate beneficiaries about the HIPP?

Answer: SCDHHS' Third Party Liability Contractor administers the HIPP and outreach is being conducted.

4) Do Medicaid Beneficiaries receive Explanation of Benefits (EOBs)?

Answer: No

Beth Hutto (Deputy Director, Office of Eligibility, Enrollment and Member Services) presented on the advisement regarding Pre-Eligibility Expenses for Long Term Care effective October 1, 2015. There were no questions regarding this advisement. Beth also presented on the advisement regarding the Required Modifications to the Online Healthy Connections Application. The following questions were asked:

1) Was the SSI question removed because we never ask for the amount of money being received?

Answer: SSI income is not required for MAGI cases; however, it is required on Non-MAGI cases. Individuals who are eligible for SSI automatically qualify for Medicaid.

Stephen Boucher (Program Director for Operations, Office of Health Programs) gave an update on Adult Preventative Dental. There were no questions on this update.

Jason Taylor, (Senior Program Director, claims Operations and Provider Relations) gave an update on the Provider Re-Validation process. The following question was asked:

1) You mentioned that group 2 is 6,000 short, do you know why?

Answer: Between Groups 1 and 2, approximately 3,000 providers have not revalidated that were on the schedule to be revalidated. We are reaching out to the appropriate Associations to get their help in encouraging these providers to either revalidate or return their letter stating their request to be removed from the Medicaid program. Groups 2 – 6 include on-site visits for providers that are in the category medium or high risk.

Paul Leo, (Senior Project Manager, Project Management Office) gave an update on ICD-10 Readiness. The following questions were asked:

1) What is ICD-10 and who does it impact?

Answer: ICD-10 is new detailed diagnosis codes and it affects healthcare providers, payers, and DRG-Version 32.

2) Will this expedite the processing of claims?

Answer: No, but claims should not take any longer.

3) Medicare is allowing a grace period on the "level of specificity" of ICD-10 coding, is Medicaid allowing a grace period on coding?

Answer: No. Medicaid payors are not obligated to provide a similar grace period.

Beth Hutto (Deputy Director, Office of Eligibility, Enrollment and Member Services) gave an update on Eligibility, Enrollment, and Member Services (EEMS). The following questions were asked:

1) What groups show the most growth?

Answer: There is more growth in Adults than children.

- 2) What is the average time to process applications because some beneficiaries are having issues connecting with SCDHHS? Applicants and beneficiaries should contact the Call Center for information about their applications.

Answer: There are still some ongoing issues with the Member Call Center; however Beth asked for the beneficiary's information so she could forward to Carolyn Roach.

- 3) What kinds of questions can United Way answer?

Answer: The Member Call Center can answer basic questions and questions about outstanding documentation. If the call requires more problem solving it is transferred to Carolyn Roach who is over Member Relations. SCDHHS has placed four eligibility workers at the Member Call Center to offer information and support to improve customer service.

- 4) What is the average processing time?

Answer: For Deemed babies it is nine days but SCDHHS did not have any other breakdown information on processing times.

- 5) Is SCDHHS monitoring the impact of losing out stationed workers? There is concern that beneficiaries may not get re-enrolled or miss opportunities due to these changes. SCDHHS needs to have something to show if this is having a negative impact on enrollment.

Answer: SCDHHS is monitoring the impact of this. Beneficiaries have several ways to apply for Medicaid by phone, online, mail, fax or in person.

- 6) ELE Kids do not have parents listed which carries over to transportation, who is actually listed in the system? There should be some caring adult listed on the application.

Answer: SCDHHS will look into this. SCDHHS did not receive an application for ELE; children were automatically put on Medicaid and letters were sent to the family.

- 7) Has SCDHHS completed an analysis of all the kids on ELE that have never taken advantage of well visits?

Answer: SCDHHS is looking at this information.

Adriana Day (Deputy Director, Office of Finance and Administration) gave an update on the 2015 Year end budget. The following questions were asked:

- 1) What happened with Continuum of Care?

Answer: The budget was inflated by prior year cost settlements.

- 2) How does SCDHHS track if program is folded into something else?

Answer: The expenditures now are aligned with the services provided, rather than in the state agency line just like any other provider. SCDHHS has the ability to analyze expenditures by provider, beneficiary, or services in any line.

- 3) Does SCDHHS track EPSDT and COC to see services?

Answer: EPSDT screening expenditures are tracked in the EPSDT line. The services that may arise from an EPSDT screening are tracked in the corresponding service lines. SCDHHS has the ability to analyze expenditures by provider, beneficiary, or services in any line.

- 4) Can SCDHHS provide a variance and what it means on slide?

Answer: yes, SCDHHS will consider ways to display variances on the slide.

Meeting Adjourned

Next Meeting scheduled for November 17, 2015 10:00 a.m. to 12:00 p.m.

**South Carolina Department of Health and Human Services
Medical Care Advisory Committee
Item for Committee Advisement**

PREPARED BY: Vanessa Busbee

PRESENTED BY: Roy Smith

DATE: November 17, 2015

SUBJECT: Five-year waiver renewals for the Community Long Term Care (CLTC) HIV/AIDS SC.0186 and Community Choices SC.00405 home and community-based waiver programs

OBJECTIVE: Submit waiver renewals for the Community Choices and HIV/AIDS home and community-based waiver programs and receive CMS approval to continue operating the waivers. In renewing the waiver we are seeking to make changes to strengthen the waiver programs.

For both waivers:

- Address the CMS Final Rule requirements;
- Incorporate CMS's required Quality Improvement Project
- Modify the Case Management service to reimburse a monthly fixed rate rather than in 15 minute increments; adjusting the enrollment process that will allow for agency only providers while retaining the current Independent Case Managers.

For the Community Choices waiver:

- Remove non-utilized Adult Care Home service;
 - No providers and no real demand for the service
- Remove ADHC Transportation service;
 - The broker system is being amended in the latest RFP to include all transportation to adult day care centers;
 - This will be done as an amendment if the change is not in place at the time of the waiver renewal
- Remove Nursing Home Transition service;
 - The Home Again program provides the same and additional services, making this service redundant;

BACKGROUND: CLTC directly operates three home and community-based waivers whose goal is to provide an alternative to more costly institutional placement. This is done through the provision of a variety of services, with case managers working with participants and families to create an individualized service package. The Community Choices waiver provides services for persons with physical disabilities and frail elderly and has been in statewide operation since 1983. The HIV/AIDS

waiver has been in place since 1988 and provides services to persons diagnosed with HIV and who are at risk for hospitalization. CMS requires renewals every five years and the current waivers expire June 30, 2016. This renewal allows the waivers to continue and amends some services and operational policies to enhance the waiver programs.

BUDGETARY IMPACT: The census for the HIV/AIDS waiver is fairly stable and no major changes are being requested in the services provided. If rate increases occur over the five year period of the renewal, then expenditures would increase. The Community Choices waiver continues to grow. There are currently almost 15,000 waiver participants with over 4,300 additional applications. The waiver is projected to have a net increase of 3%-4% each year, so the expenditures will grow by that amount, in addition to any future rate increases. However, the waiver serves as an alternative to nursing facility placement. Nursing facility care is considerably more expensive, so to the extent that increasing waiver participation decreases nursing facility placements, the net effect is a reduction of overall costs.

EXPECTED OUTCOMES:

- Increased quality improvement measures
- Improved case management services

EXTERNAL GROUPS AFFECTED:

- Waiver participants and their families
- Waiver service providers

RECOMMENDATION: Proceed with submitting waiver renewals to CMS no later than March 31, 2016.

EFFECTIVE DATE: On or about July 1, 2016 or upon CMS approval.

**South Carolina Department of Health and Human Services
Medical Care Advisory Committee
Item for Committee Advisement**

PREPARED BY: Megan Old, Project Manager

PRESENTED BY: Megan Old, Project Manager

DATE: 11/17/2015

SUBJECT: On May 5, 2015, SCDHHS presented an Advisement regarding a proposed Section 1915(b)(4) waiver to establish an Enhanced Prenatal and Postpartum Home Visitation Program. Based upon initial feedback from CMS on the waiver proposal, SCDHHS intends to make a technical amendment to the application to transition a portion of the existing managed care population from authority grounded in Section 1932 of the Social Security Act to managed care authority under the proposed waiver instead. Specifically, the population targeted for transition to managed care under this waiver authority includes individuals enrolled in an MCO that are most likely to be eligible for the Enhanced Prenatal and Postpartum Home Visitation Program, which are women of childbearing age and children less than two years of age.

Although the scope and objective of the initial May 5, 2015 Advisement remain the same we are notifying members of this technical change out of an abundance of caution.

OBJECTIVE: Improve birth and other health outcomes of pregnant women and infants by providing enhanced, evidence-based, prenatal and postpartum home visitation services.

BACKGROUND: Section 1915(b)(4) waiver proposal for the Enhanced Prenatal and Postpartum Home Visitation Program, which will enable the agency to provide the evidence-based Nurse-Family Partnership Program to a limited group of Medicaid beneficiaries. The proposed waiver will increase the frequency limit of current State Plan home visitation services offered to pregnant women and their infants. Under the waiver, the agency will selectively contract with providers who are certified to deliver the Nurse-Family Partnership Program Model, including DHEC clinics, hospitals and FQHCs/RHCs throughout the state.

The enhanced home visitation services will be offered to 3,200 total pregnant beneficiaries who are expecting their first child during the two-year waiver period. Enhanced services will begin prenatally, continue throughout pregnancy, and postpartum for up to two years. The proposed waiver will only affect the provision of enhanced home visitation services and will not affect eligibility or any other State Plan services currently provided to pregnant women and children.

BUDGETARY IMPACT: \$3.8M for five-year waiver period

EXPECTED OUTCOMES: Reduction in preterm birth, increased intervals between first and subsequent births, and reduction in emergency department admissions among children ages 0-2

EXTERNAL GROUPS AFFECTED: Medicaid recipients

RECOMMENDATION: Re-submit 1915(b)(4) waiver proposal to CMS to enable implementation of the Enhanced Prenatal and Postpartum Home Visitation Program

EFFECTIVE DATE: Effective for service dates on or after January 1, 2016



Information Management

Medical Care Advisory Committee (MCAC)
Jim Coursey, Chief Information Officer
November 17, 2015

ICD-10 Status

- The ICD-10 Project successfully implemented as scheduled on October 1, 2015
- ICD-10 Status
 - **No major issues to report at this time**
 - Claims Processing
 - ICD-10 related claims transactions is within the agency's average processing parameters
 - Ongoing daily claims edit analysis is conducted by agency ICD-10 project team members to identify any processing issues
 - Ongoing daily check point meetings conducted with ICD-10 project team and CMS
 - Provider Service Center (PSC)
 - The PSC team provides daily call center reports to the ICD-10 project team for impact analysis
 - Call volumes have not increased
 - The ICD-10 project team monitors any assigned ICD-10 Issue Code events daily
 - ICD-10 Issue Code events are provider training versus system related issues

For additional questions, please email icd10contacts@scdhs.gov



Eligibility, Enrollment & Member Services

Medical Care Advisory Committee (MCAC)
Beth Hutto, Deputy Director
November 17, 2015

Increased staffing at county offices

99 new staff postings since July 1, 2015

Created Processing Centers with Multiple Shifts

24 hours of operation

Charleston: Processing Center

Columbia: Four Processing Centers with 1st, 2nd, and 3rd shifts

Greenville: Processing Centers

Lee: 2nd shift Processing Center

Spartanburg: Processing centers with 1st and 2nd shift

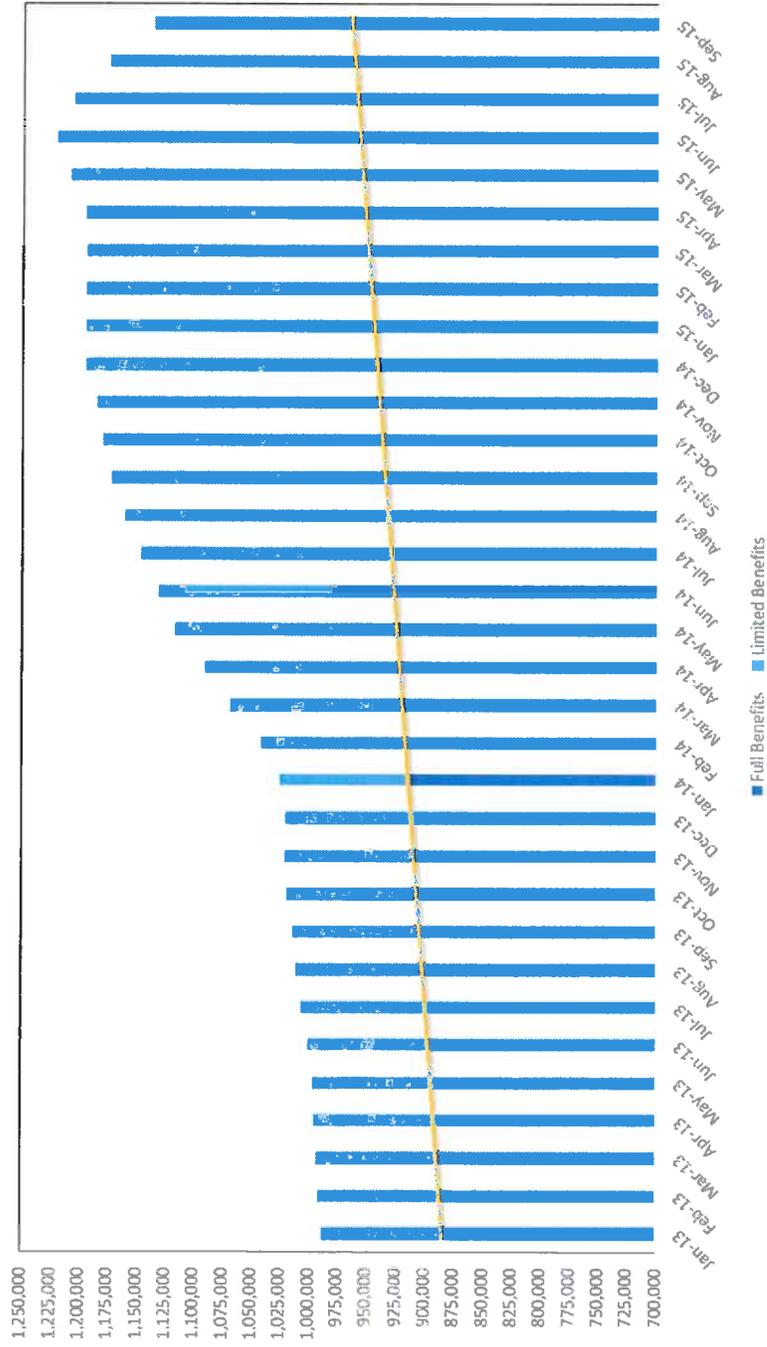
Additional Processing Centers, beginning November

Central Office, Lancaster, Oconee



Trends in Medicaid Enrollment

Medicaid Enrollment
January 2013 through September 2015



June 2015 full benefits enrollment (final): 1,037,000

Sept 2015 full benefits enrollment (prelim): 979,000

Full Benefit Enrollment

In line with growth trend prior to delayed reviews

Annual Review Impact

July and August consisted of doubled months of >60,000 reviews each month

Source: MIVIS, most recent three months are preliminary enrollment data.

FEMA Disaster Assistance

Assistance received due to a Presidentially Declared Disaster is *not* considered income or a resource. It is also not counted as taxable income. These payments do not affect eligibility for any Medicaid categories.

Federal Policy Citation:

20 CFR 416.1124(c)(5); 416.1150

26 U.S. Code § 139

SCDHHS Policy Citation:

301.09.25

301.09.26



Finance and Administration

Medical Care Advisory Committee (MCAC)
Adriana Day, Deputy Director
November 17, 2015

Appropriation to Year to Date Actual Spending
As of September 30, 2015

Budget by Major Program and Spending Purpose	FY 2015 Appropriation	FY 2016 YTD as of 9/30/15	Remaining from Appropriation	%	Variance Notes*
				Expended	
SCDHHS Medicaid Assistance					
Coordinated Care	2,919,583,633	629,766,434	2,289,817,199	22%	
Hospital Services	498,422,994	125,289,456	373,133,538	25%	
Disproportionate Share	550,002,538	136,439,074	413,563,464	25%	
Nursing Facilities	558,675,837	137,556,102	421,119,735	25%	
Pharmaceutical Services	72,527,229	22,383,853	50,143,376	31%	Shift in Hep C drug expenditures to FFS
Physician Services	89,240,781	22,668,412	66,572,369	25%	
Community Long-term Care (CLTC)	151,788,479	45,915,041	105,873,438	30%	Community Choices census higher than budget
Dental Services	154,492,726	32,580,321	121,912,405	21%	
Clinical Services	36,858,789	16,852,044	20,006,745	48%	
Transportation Services	95,905,759	13,185,560	82,720,199	14%	Cost settlements from prior years paid this FY
Medical Professional Services	20,681,967	5,909,541	14,782,426	29%	September invoice paid in 2nd quarter
Durable Medical Equipment	23,763,350	6,069,498	17,693,852	26%	
Lab & X-Ray Services	12,787,691	2,979,651	9,808,040	23%	
Family Planning	62,825,713	3,822,589	59,003,114	6%	Checkout population utilizing services less than anticipated
Hospice	14,733,783	3,260,313	11,473,470	22%	
Program of All-Inclusive Care (PACE)	17,057,506	3,230,949	13,827,457	19%	
EPSDT	2,823,379	1,000,236	1,823,143	35%	Less recipients than budgeted
Home Health Services	12,992,989	3,083,260	9,909,729	24%	Higher utilization partially relating to Autism referrals
OSCAP	10,695,773	1,889,229	8,806,544	18%	Lower than projected enrollment
Optional State Supplement (OSS)	22,607,703	4,698,374	17,909,329	21%	
Premiums Matched	180,000,000	44,354,852	135,645,148	25%	
MMA Phased Down Contributions	80,237,248	20,180,781	60,056,467	25%	
Premiums 100% State	17,381,975	3,561,201	13,820,774	20%	
Children's Community Care	19,907,516	4,140,627	15,766,889	21%	
Behavioral Health	147,562,230	38,562,011	109,000,219	26%	
Total SCDHHS Medicaid Assistance	\$ 5,773,577,688	\$ 1,332,358,520	\$ 4,441,219,068	23%	
SCDHHS Other Health Programs					
Disabilities & Special Needs (DDSN)	597,762,223	142,360,280	455,401,943	24%	
Education (DOE)	51,693,998	5,977,921	45,716,077	12%	Slow billings at beginning of FY
Health & Environmental Control (DH)	7,390,368	1,570,233	5,820,135	21%	
Medical University of SC (MUSC)	43,348,419	4,660,204	38,688,215	11%	Supplemental Teaching Payments to be paid later in FY
Mental Health (DMH)	125,774,007	28,232,448	97,541,559	22%	Supplemental Teaching Payments to be paid later in FY
University of South Carolina (USC)	7,150,176	6,240	7,143,936	0%	Supplemental Teaching Payments to be paid later in FY
Other Entities Funding	35,855,745	4,527,205	31,328,537	13%	Supplemental Teaching Payments to be paid later in FY
State Agencies & Other Entities	\$ 888,974,936	\$ 187,334,536	\$ 681,640,400	22%	
SCDHHS Operating Expenditures					
Personnel & Benefits	68,456,064	16,435,084	52,022,980	24%	
Medical Contracts	252,785,590	17,459,694	235,325,896	7%	Slow ramp-up at beginning of year
Other Operating Costs	58,019,577	5,838,373	52,181,204	10%	Slow ramp-up at beginning of year
Total SCDHHS Operating Expenditures	\$ 379,261,231	\$ 39,733,160	\$ 339,528,071	10%	
Total Budget - Annual Budget Appropriation	\$ 7,021,815,755	\$ 1,569,426,206	\$ 5,462,389,549	22%	

*Variances explained when 5% above or below 25% of annual appropriation.