Medical Care Advisory Committee
September 10, 2014 Meeting Minutes

Present	**Not Present**
John Barber	Sue Berkowitz
William Bilton	Dr. Charles Darby
Richard D'Alberto	Diane Flashnick
Dr. Tom Gailey	Dr. Greta Harper
Lea Kerrison	Chief Bill Harris
Bill Lindsey	Dr. Amy Picklesimer
J.T. McLawhorn	Crystal Ray
Melanie Matney	Timothy Stuart
Dr. Kashyap Patel	Nathan Todd
Gloria Prevost	Rhonda L. Johnson-White, Ph.D
Dr. Lynn Wilson	
Lathran Woodard	

The Director welcomed members.

Advisement presented by Jeff Saxon:
Inpatient Hospital Rate Updates and Outpatient Hospital Multiplier Updates Effective October 1, 2014: The South Carolina Department of Health and Human Services (SCDHHS) intends to remove the unreimbursed Medicaid fee for service inpatient and outpatient hospital base operating costs that are currently being reimbursed under the South Carolina Medicaid Disproportionate Share Hospital Program (i.e. 50% of the unreimbursed cots) of the SC general acute care hospitals and qualifying out of state border hospitals. Therefore, SCDHHS will update the Medicaid inpatient hospital specific per discharge rates as well as the hospital specific outpatient multipliers for South Carolina general acute care hospitals and the out of state border hospitals eligible to receive its own hospital specific per discharge rate and hospital specific outpatient multiplier effective October 1, 2014. This will be done by increasing the July 1, 2014 hospital specific inpatient base rate component by two and half percent (2.50%). The Direct Medical Education and Indirect Medical Education rate components of the hospital specific per discharge rates will not be subject to the two and half percent (2.50%) increase. The statewide hospital per discharge rates and the free standing short term psychiatric hospital per discharge rates will remain at the November 1, 2012 payment level. In regards to the hospital specific outpatient multipliers, SCDHHS will increase the July 1, 2014 hospital specific outpatient multipliers by two and half percent (2.50%) for South Carolina general acute care hospitals and the out of state border hospitals eligible to receive its own hospital specific outpatient multiplier. The Direct Medical Education component of the outpatient multiplier will not be subject to the two and half percent (2.50%) increase. The statewide hospital specific outpatient multiplier of 93% will remain at the November 1, 2012 level. The statewide South Carolina Medicaid outpatient hospital fee schedule rates will not be impacted by this and thus will remain at their current level. Finally, SCDHHS will update the swing bed and administrative day rates to reflect the current average adjusted nursing facility rates effective October 1, 2014. Annual aggregate expenditures are expected to increase by approximately $30.8 million (total dollars) for both Medicaid fee for service individuals and Medicaid managed care enrollees. Member asked when the fee schedule would be available and Jeff Saxon stated it would be available the 1st of October and that it would also be sent to the Hospitals.

Advisements presented by Peter Liggett:

Amendment of the three 1915c Home and Community Based Services Waivers operated by the Division of Community Long Term Care: Community Choices (CC), Mechanical Ventilator Dependent Waiver (Vent) and HIV/AIDS: Community Choices Waiver: SCDHHS has a policy to enroll applicants into this waiver without placing them on a waiting list. The result of this is that the numbers served in the waiver have grown faster than was projected when the five year estimates were made (this waiver began its fourth year of the current approval July 1, 2014). In order to be in compliance with federal requirements, an amendment must be requested which will increase the number of people allowed to be served in the waiver program. The second change for this waiver is to add the Adult Day Health Care Nursing (ADHC-N). **Mechanical Ventilator Dependent:** Presently case management for participants in this waiver is performed by State employed Registered Nurses as an administrative service. However, these nurses have many other duties and many aspects of case management do not fully utilize their medical training. This amendment will make case management a new waiver service that will be provided by provider case managers (usually licensed social workers). State nurse consultants will be available to consult with case managers when necessary. Contracted case management agencies and independent case managers will be reimbursed for providing this service. Reimbursement will be billed in 15 minute increments, as it is currently billed in the CC and HIV/AIDS waivers. The other change for this waiver is to add the services of home delivered meals and nutritional supplements. Due to changes in the State's organizational structure and some technical changes in the flow of billing and claims filing, language cleanup is necessary in the CC, Vent and HIV/AIDS waivers to accurately reflect these changes. Budget Impact: Community Choices—the census increase will allow the State to provide services for all qualified applicants. Since this program is an alternative to more costly nursing facility services, it is anticipated that there will be no additional agency cost, with the possibility of reducing expenditures if nursing facility services are utilized to a lesser amount as a result of this change. Based upon historical data for when the ADHC-N service was include in the waiver, the estimated cost is under $200,000 total dollars per year. Mechanical Ventilator Dependent Waiver—Adding case management as a waiver service will cost approximately $30,000-40,000 per year. Nutritional supplements and home delivered meals services will cost approximately $50,000 per year.

Intensive Family Services: The objective is to improve behavioral health outcomes for beneficiaries 0-21 who are at-risk of being placed outside the home due to behavioral health concerns. Out-of-home placement for beneficiaries 0-21 currently includes placement in acute psychiatric facilities, psychiatric residential treatment facilities (PRTFs), foster-care, etc. While these placements may de-escalate crises, they are costly and evidence suggests these placements do not support long-term treatment outcomes, as a beneficiary's home environment (including family, school, community) remains unchanged and their natural resources remain untapped. The emphasis of Intensive Family Services (IFS), therefore, is on changing the social ecology for participants and their families to promote more positive treatment outcomes and optimize healing and growth outside of traditional treatment placement. IFS targets the family unit a s a whole and includes services that, for example, address caregiver discipline practices in recreational activities, and develop a support network in the community where the participant and their family live. These services are provided both within the beneficiary's home and in their community setting. The fiscal impact is estimated to be approximately $572,495 (total dollars) for FY2015. The effective date is January 1, 2015. Members had questions regarding eligibility and the budget. These questions were answered by Peter Liggett.

Advisement presented by Sam Waldrep:

Amendment of the three 1915(c) Medicaid Home and Community-Based Service (HCBS) Waivers operated by the Community Long Term Care (CLTC) Program: SCDHHS proposes to file amendments with the Centers for Medicare and Medicaid Services (CMS) to three of its HCBS waivers operated through the CLTC Program. These

waivers are: HIV/AIDS, Community Choices, and Mechanical Ventilator Dependent. These changes will enable SCDHHS to implement a second phase of transitioning HCBS as a part of a Joint Medicare-Medicaid demonstration program known as Health Connections Prime. Through Healthy Connections Prime, people age 65 and older who receive both Medicare and Medicaid and meet other eligibility criteria will receive all of their care, including primary care, behavioral health and long term care services, from a Coordinated and Integrated Care Organization (CICO). In Phase 1 of Health Connections Prime, the CICOs began serving waiver participants, but did not develop care plans for waiver services. These Phase 2 amendments will allow CICOs to develop participants' care plans, drawing on the knowledge of the participants' health needs both within and beyond the waiver services they receive and make these care plans subject to state review and approval. The CICO will also prior authorize waiver services and develop contractual oversight of waiver providers. Waiver participants will have access to an appeals process and the Health Connections Prime Advocate to assist in disputes. There will be substantive and technical changes to sections of each waiver document to allow this, but no adverse changes are anticipated for participants who are enrolled in both Healthy Connections Prime and a CLTC waiver. Enrollment in Health Connections Prime is totally voluntary. During its three years of operation, CMS requires that Health Connection Prime operates at 1%, 2% AND 3% savings over the traditional fee for service option. The effective date is May 1, 2015.

Beth Hutto, Deputy Director, Office of Eligibility Enrollment and Member Services presented on the following:

Trends in Medicaid Enrollment: April 2014 enrollment was 1,090,671 (this is the most recent final enrollment number). July 2014 preliminary enrollment was 1,140,447 (of these: 992,554 were enrolled in full scope Medicaid and 147,893 were enrolled in a limited benefit). Account Transfers: By mid-July, approximately 38,000 applications were transferred from the Federal Facilitated Marketplace (FFM) to the State. South Carolina sorted and categorized these applications. Approximately 1,000 applications had a pregnant woman on the application; these applications were completed as a first priority. Approximately 1,000 applications already had Medicaid coverage; 15,000 sought coverage based on a disability or seeking Long Term Care (LTC) and 24,000 were seeking coverage in a MAGI category. All 38,000 account transfer pending cases were processed by August 20th. SCDHHS reorganized to monitor productivity by creating standards for performance expectations, adding performance managers to monitor standards, met often to discuss performance and re-assign staff as needed, increased productivity by 120% from start of new process and shifted administrative duties away from eligibility workers. Calls were re-routed to the United Way staff.

Disability/Long Term Care (LTC) Determinations: Over 10,000 letters and addendums were sent to account transfer applicants seeking disability and/or LTC coverage. SCDHHS received 1,000 returned addendums that will be processed as disability/LTC applications. For those individuals that did not respond to the Disability/LTC letter, 7,500 will receive a MAGI Determination because there was enough information on the account transfer application. The remaining 1,300 will close as non-responsive because there was not enough information on the account transfer application. Approvals and denials will be sent to applicants for each category.

John Supra, Deputy Director and CIO, Office of Information Management presented on the following:

Eligibility Major Release: A major release is planned for October 2014 which will move MAGI members from MEDS to Curam and shift worker activity from MEDS to Curam. Some of the major features are automation of application processing and new online features for citizens (updates/reviews). The next step is to migrate non-MAGI categories and complete decommissioning of MEDS.

MMIS Replacement Project: The project strategy is: looking for Administrative Services (ASO) to manage claims and operations, reporting and data analytics, operational data store (ODS), provider enrollment and management and finance and administration. The CMS

project plan was updated and submitted and we are planning two major RFPs (late 2014/early 2015). Two major components are reporting and data analytics and Administrative Support Organization (ASO).
ICD-10 Updates: The ICD-10 Compliance date was moved by CMS to October 1, 2015 and SCDHHS is in the process of adjusting DHHS project plan based on this date. The extended compliance date gives SCDHHS the opportunity to 1) consider improving ICD-10 approach. The goal is to minimize risk to payment for providers, 2) Lever progress of MMIS project—Testing methods and automation, EDI Infrastructure and 3) extended testing period

Deirdra Singleton, Deputy Director, Office of Health Programs presented on the following:
2014 MCO Contract: The 2014 MCO Contract is being executed by the plans. The Adult Preventative Dental Benefit SPA was approved. SCDHHS reached out to Dentists to see if they were accepting adult members and we are now developing a new timeline as to when this SPA will be implemented. SCDHHS issued and RFP for transportation.

Kevin Bonds, Program Manager, Office of Health Programs presented on the following:
Healthy Outcomes Plan (HOP): The end of July 2014 enrollment was at 8,603 (FY14 target was 8,511). The FY enrollment target is 12,000 to 15,000. The new contract period begins October 1st to June 30th. The HOP Vision Council recommended some changes. The focus is on increased access for the uninsured population. Last year's scope of HOP was utilization of Emergency Departments. In FY15 inpatient utilization will be added.

Teeshla Curtis, Program Manager, Office of Health Programs presented on the following:
Prime: Prime is for duals (Medicare/Medicaid) that are 65 and older. This program combines all of the benefits of Medicare and Medicaid under a single Medicare-Medicaid plan. Members have access to the following current services: Physician visits, Hospital care, Prescription drugs, Medicaid over-the counter drugs; Adult dental, Mental health services, Long term services and supports and transportation and DME. New Benefits that will be available are: One health plan, one health care card, no insurance premiums, no copays for Medicare A/B services, a personal point of contact, a care team, the right care at the right time I the right place and personalized care planning. The original implementation schedule was July 1, 2014 but now it will be no earlier than January 1, 2015. The Three-way contract was signed September 2014 and will be posted to the SCDHHS website in a few weeks. Medicaid rates are based on care setting; Medicare rates remain constant regardless of care setting and are risk adjusted by enrollee. The July 1, 2014-December 31, 2014 PMPM Capitation Rates (Medicaid, Medicare and Part D): Community Rate Cell: $70.30; HCBS Rate Cell: $1093.59; HCBS Plus Rate Cell: $2,906.09; or Nursing Facility Rate Cell: $4,488.74; plus Medicare A/B Services: $768.85 (Richland County) and Medicare Part D: $306.45. This spring, SCDHHS established workgroups to discuss operational issues related to Prime. The workgroups included: Nursing Facilities, Home and Community Based Services, Hospitals, and Physicians. The workgroups will meet monthly through January and will involve the CICOs. Following implementation, workgroups will meet quarterly or as needed. A July Beneficiary Newsletter featuring Prime was issues. Outreach was completed targeting beneficiaries 65 and older along with caregivers (i.e., responsible parties). In November an opt-in enrollment notification letter will be sent to target eligible population and other education activities will continue throughout the opt-in and passive enrollment including community forums and tele-town halls. Members had questions regarding what constitutes a care team, participation, targeted populations and if the workgroups could include advocacy people. These questions were answered by Teeshla Curtis.

Emma Husby, Project Manager, Project Management Office presented on the following:

Healthy Connections Check-Up: Healthy Connections Check-Up was previously known as Family Planning. Some recent accomplishments and Updates: 8/1/14—The enhanced benefit was implemented; 8/25/14—The RFI for "Check-Up Transition Services" posted; 9/8/14—Check-Up microsite launched; 9/8/14—New member card distribution; and 9/18/14—Check-Up RFI Project Day. Check-Up will remain in Fee-For-Service; Family Planning transition to MCO will not happen at this time. Some ongoing efforts are: Referral Network Development, Colonoscopy Policy; Provider outreach and partnership; Member and eligibility outreach, and Partnerships with: HOP, Best Chance Network, Department of Corrections, Probation Parole and Pardon Services, PASOs, Center for Colon Cancer Research, Wal-Mart and Free Clinics.

Peter Liggett, Deputy Director, Office of Long Term Care and Behavioral Health Services presented on the following:

Intellectually Disabled and Related Disabilities (ID/RD) Waiver: The waiver renewal will be submitted to CMS by September 30th. SCDHHS held four public forums and there will be eleven more meetings. These meetings are posted on the SCDHHS website. SCDHHS is adding pest control to ID/RD waiver. There are waiting list requirements and individuals have to be enrolled in Medicaid—Medicaid eligible.

Pervasive Developmental Disorder (PDD) Waiver: In this waiver a third level of therapist will be added (Line therapists). There has been a lot of discussion that a minimum of 50% of services happen in the home. SCDHHS will take a case by case approach.

Autism Spectrum Disorders CMS Bulletin: SCDHHS received a CMS letter outlining a number of authorities to cover the Autism Spectrum Disorders; this letter posted on the website. Currently this is covered through the PDD waiver for youths 3-11 for three years. For some individuals this coverage is not enough and they struggle to get services. Therefore SC is looking to expand these services. SCDHHS currently is spending approximately $17m per year at a cost of $16-18,000 per person; kids aged 3-11 can only receive three years of services; services are bound by provide capacity and availability; 1 in 68 kids have an ASD, or about 9,000 Medicaid kids in SC, CMS recognizes states frequently use waivers to control utilization and spend and CMS provided guidance in the use of different authorities (including EPSDT) to cover a variety of therapies (e.g., Applied Behavior Analysis). Looking forward SCDHHS is examining all options, but will likely pursue State Plan authority to cover behavioral therapies for ASD's. SCDHHS is looking at other states that have created state plan service arrays. Clinical staff is reviewing CMS' environmental scan and evaluating literature establishing evidence for value of available and emerging therapies and treatments. We are working with Milliman and Mercer to project future budget impact and to pursue appropriate service authorities. We are also listening to stakeholders in considering SCDHHS' strategy.

Meeting Adjourned

Next meeting scheduled for Wednesday, November 12, 2014 10:00AM to 12:00 PM