

**ALABAMA MEDICAID AGENCY  
PHYSICIANS' TASK FORCE MEETING  
June 27, 2012  
4<sup>TH</sup> FLOOR BOARDROOM 1:00 p.m. - 3:00 p.m.**

**Members Present:**

Drs. Don Williamson, Robert H. Moon, Melinda Rowe, Marsha Raulerson, David Harwood, Dave Johnson, Andrew Wes Stubblefield (telephone), and Steve Baldwin (telephone) and Linda Lee.

**Medicaid/HP Staff Present:**

Sharon Moore-Grimes, Desiree Nelson, Kelli Littlejohn, Theresa Richburg, Nancy Headley, Cyndi Crockett (HP), Robin Rawls, Ginger Wettingfeld, Ron Macksoud, and Karen Watkins-Smith (telephone).

**Welcome and Review of Minutes:**

Dr. Rowe welcomed everyone and thanked them for their attendance. The minutes from the last meeting were accepted with no changes.

**Medicaid Update**

Don Williamson M.D., Chair, Medicaid Transition Task Force, provided an update on Medicaid and ALL Kids to help everyone understand Medicaid's limitations in making revenue/payments. He explained the significant financial impact from funds provided for the State Share from the following: State General Fund, interagency transfers from other state agencies, drug rebates, provider taxes, and Certified Public Expenditures (CPEs). Payment methodologies are described in statutory language. The FY 2012 budget after proration from the General Fund is \$575 million with a shortfall of \$70 million. Dr. Williamson addressed shortfalls stressing no margin for errors for the FY 2013 budget. There will be no delay in provider payments this quarter. However, \$20-\$25 million or more is needed for the 2013 budget. Linda Lee then addressed the constitutional amendment language which returns primary physician payments to Medicare rates in January 2013 as required by the Affordable Care Act.

Patient Care Networks of Alabama (PCNAs) were mentioned as a practical option to be considered state-wide. Mobile and Washington counties were recently added. One identified problem with North Carolina's model was that savings over a ten year period described as "aspirational savings". Medicaid has a contract with Mercer to evaluate the PCNAs to determine savings. If we can demonstrate savings, then we can build it into the budget and use it as the foundation to argue going forward statewide. Other options include Pharmacy Benefit Management and Managed Care. Most Managed Care contractors present hundreds of millions of dollars in savings primarily from decreases in hospitalizations. However, Alabama hospital spending relies on CPEs as a funding source. Currently, Managed Care is not viewed as having a meaningful impact on the 2013 budget. Managed Care payments are capitated prospectively, private insurance pays based on date of service, and Medicaid pays based on date of bill. A temporary Actuary has been engaged to review available options with plans for a permanent position.

ALLKids received \$30 million from the Educational Trust Fund for FY 12 budget. The ALLKids FY 13 budget includes amounts expected to carry forward from 2012, the General Fund appropriation, and Children First Trust Fund appropriation totaling \$35 million with an estimated shortfall of approximately \$13 million. Savings are expected from co-pays and increased premiums. The State Plan has an option creating a waiting list for which Alabama Department of Public Health (ADPH) petitioned CMS and was denied. Blue Cross Blue Shield of Alabama (BCBS) does not want to decrease ALLKids provider payments because all provider payments will be decreased. Therefore, three choices remain for ALLKids:

- 1) Move ALLKids to Medicaid not as a Medicaid expansion but only as a contract for provider network;
- 2) Commercial Managed Care; and
- 3) Repeal of all Affordable Care Act (ACA) regarding waiting list and eligibility changes. There were many concerns for unethical options with access being denied for certain children. Dr. Moon reiterated the significant impact of the ACA. If the law stands, Medicaid will utilize mechanisms using Children's Health Insurance Program (CHIP) in a Patient 1<sup>st</sup> Look-a-Like. If we move ALLKids to Medicaid, it would be managed like Medicaid. Workgroups between Medicaid and ADPH have been established to explore options.

Dr. Williamson responded to questions regarding the "Transition Team" stating the purpose is to transition Medicaid by building the financial system, technical systems, and information systems. Structural issues need to be fixed for a Commissioner to be successful. Discussion followed regarding the Joint Legislative Committee on Medicaid Policy chaired by Representative Greg Wren. Concern was expressed over the committee not having a complete understanding of the complexities and limitations Medicaid has around conserving cost and the huge public perception problem.

### **New Business/Topics of Discussion**

#### **Health Systems Update: Dr. Moon**

Dr. Moon stated that everyone should be committed to doing the right thing for patients and to continue to work toward appropriate utilization professionally and ethically. In his update of the Networks (PCNAs), he stated that the fourth Network to be operational effective July 1, 2012, will include Mobile and Washington counties consisting of a conglomerate of hospitals and physicians in the area. Linda Lee requested a list of the boards of all four networks stating that the Primary Care Provider Association would like to encourage doctors to be involved and that it helps for the association to show support. Dr. Moon stated that the focus with health homes care has broadened to include Substance Abuse and Mental Health Services Administration (SAMHSA) involvement with preapprovals and case managers to bridge between physical and mental health providers.

Discussion continued on the Alabama Perinatal Excellence Collaborative (APEC). Different models around the country are being examined. A series of state-wide town hall meetings were held in January and March of 2012 in Huntsville, Birmingham, Montgomery, and Mobile. Guidelines have been developed on routine prenatal care and elective deliveries before 39 weeks. Ultimately, there will be a series of guidelines on perinatal issues that will be available via the Web-site. University of Alabama Birmingham (UAB) and University of South Alabama (USA) OB/GYN and Maternal Fetal Medicine physicians are leading the APEC effort with Alabama Medicaid facilitating the discussions..

Additional information was also provided on the Program of All-Inclusive Care for the Elderly (PACE) which provides comprehensive long term services and support to Medicaid enrollees. A capitated rate is paid to organizations providing care to eligible clients 55+. The organization is responsible for payments for services not routinely covered under Medicaid.

Dr. Moon stated that policies such as Genetic Testing and Growth Hormones will be brought to future meetings. He would also like feedback on prior authorization policies. Linda Lee mentioned "Help Me Grow", a project working with Children's and United Way where children are identified with developmental delay. A phone line will be available for anyone to contact and reach out to the Networks which in turn can coordinate with other groups in order to avoid duplications.

#### **Pharmacy Update: Kelli Littlejohn**

Dr. Littlejohn provided information regarding the 72 hour Emergency Prior Authorization (PA). The 72 hour emergency PA is a Federal requirement to cover emergency situations; for example, disasters such as Katrina, tornadoes, etc. or when the Governor declares a state of emergency. A handout was distributed for reference. Dr. Littlejohn discussed the implementation of the June 1, 2012, one brand limit for adults, in addition to the cough and cold list reduction. The covered cough and cold list is available on the Medicaid web-site. There was a brief discussion related to the recent budget legislation as it pertains to pharmacy.

The Agency is working with a workgroup of Alabama specialists to review the criteria for the upcoming RSV season; the Agency follows the American Academy of Pediatrics/Redbook guidelines.

#### **Long Term Care Update: Ginger Wettingfeld**

##### **Money Follows the Person (MFP) Rebalancing Grant Demonstration (Awards TBA late September)**

- LTC has received a planning grant to assist with compiling an application for the Money Follows the Person Rebalancing Grant Demonstration due in August.

- Stakeholder meetings are being held with other state agencies, provider organizations, advocacy groups, and caregivers to gain feedback on how MFP funding could assist with rebalancing the state's LTC expenditures.
- MFP will provide the agency with enhanced federal funding for transition activities related to moving individuals from more costly institutions to a less costly community environment. Included institutions: Nursing Facilities, Hospitals, ICF/MR Institutions for Mental Disease (under age 21 or over age 65).

**Alabama Community Transition (ACT) Waiver**

- Alabama's newest Home and Community Based Services Waiver began enrollment in February
- Primary target population is individuals in a nursing facility who wish to transition back to the community
- Services include: Case Management, Personal Care, Adult Day Health, Respite Care, Companion Service, Assistive Technology, Medical Supplies/Equipment, Transitional Assistance, Homemaker Services, Home Delivered Meals, Skilled Nursing, Home Modification, and Personal Emergency Response System.

**Nursing Facility Ventilator dependent individuals coverage**

- Alabama has been approved to provide coverage for ventilator dependent individuals in nursing facilities.
- Prior to this coverage, individuals/families had few options for institutional care for ventilator dependent recipients.
- In the past, some ventilator dependent recipients have left the state of Alabama to receive ventilator coverage in a nursing facility.
- Will be available to provide respite for families caring for ventilator dependent recipients.

The Childhood Lead Poisoning Prevention Program by Dr. Rowe:

Medicaid worked with the Alabama Department of Public Health (ADPH) and the Pediatric Council to look at data to determine if we qualify to be a targeted screener. CMS and CDC have given the option for universal screening for states that have sufficient data to demonstrate that universal screening is not the most effective method of identifying exposure to lead. At this time Alabama data does not support targeted testing and we will continue universal testing.

Recommendations/Discussion from Members:

Dr. David Johnson, Dental Association, addressed the task force with information reviewing success and failures of treatments. He stated that retreatment's were very low. He also reiterated the high participation from dentists willing to participate to provide information on dental care.

Dr. Rowe requested that she be notified of any other topics of interest for provider input at future meetings.

**Closing of Meeting - Dr. Rowe:**

- The **next meeting** will be scheduled **Thursday, September 27th** from 1p.m. to 3p.m. Please send new topics at least 2 weeks in advance to [angela.williams@medicaid.alabama.gov](mailto:angela.williams@medicaid.alabama.gov)

Recorded by:

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12/03/2012  
Date

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12/3/12  
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12/3/2012  
Date