

Commission on Medicaid Cost/Health Care Containment
August 31, 2011 Meeting Minutes

| <p>Date: August 31, 2011</p> <p>Place: Easter Seals – Kearns Center New Castle, DE</p> <p>Time: 9:00 a.m. – 11:00 a.m.</p> <p>Presiding: Richard Cherrin</p> | <p>Members Present: William Adami, Kris Bennett, Judith Chaconas, Penny Chelucci, Richard Cherrin, Lori Christiansen, Senator Catherine Cloutier, Calvin Freedman, James Lafferty, Senator Harris McDowell, Representative John Mitchell, Dr. Leonard Nitowski, Ann Phillips, Olga Ramirez, Kimberly Reinagel, Lori Ann Rhoads, Paula Roy, Lisa Schieffert, Yrene Waldron, Representative Dennis Williams</p> <p>Members Absent: Brandi Niezgodna, Dr. Julia Pillsbury</p> <p>Guests: Jeanne Chiguaine, Terry Farcase, Brenda Lakeman, Donald Langer, Dr. Jan Lee Jay Love, Sheila Nutter, Karen Parker-Bender, Marcy Parykaza, Faith Rentz, Dr. Ed Sobel, Terry Spence, Robert White</p> <p>Staff Present: Dr. Anthony Brazen, Cindy Denemark, Rebecca Gallagher, Stephen Groff, Rosanne Mahaney, Troy McDaniel, Dave Michalik, Greg Roane, Glyne Williams</p> | | |
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| TOPIC FOR DISCUSSION | DISCUSSION / ISSUE | ACTIONS | FOLLOW UP RESPONSIBILITY |
| <i>Call to Order:</i> <i>Richard Cherrin</i> | The meeting was called to order at 9:00 a.m. by Chairman Richard Cherrin. Introductions were made. | | |
| <i>Approval of Minutes:</i> | Chairman Cherrin called for any additions or corrections to the minutes. None were voiced. Ms. Waldron moved the minutes be accepted as recorded. Passed by voice vote. Minutes accepted as recorded. | | |
| <i>Employer Group Waiver Plans / State Employee Health</i> <i>The Office of Management and Budget</i> <i>Brenda Lakeman</i> <i>Faith Rentz</i> | <p>Ms. Lakeman circulated a handout titled <u>Medicare Retiree Prescription Benefit Coverage Options for Employer-Sponsored Prescription Drug Plans</u> (attach 1) and reviewed it with the Commission.</p> <ul style="list-style-type: none"> • <i>Question: Why are we talking about Medicare Retirement Prescription and Benefit Coverage options?</i> • <i>Answer: One of the items this Commission was tasked with was to look at health care cost saving options beyond Medicaid. Currently, the Office of Management & Budget (OMB), State Employee Health uses the Retiree Drug Subsidy (RDS) option and is looking at the possibility of changing to the Employer Group Waiver Plan (EGWP) option for prescription drug coverage for State retirees as a cost savings option.</i> <p>Ms. Lakeman stated that the next steps would involve a close review of all aspects of making this change. Preliminary estimates for savings are between \$3 and \$10 million. OMB has a consultant reviewing membership and claims</p> | | |

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| <p>Employer Group Waiver Plans / State Employee Health (Cont'd) <i>The Office of Management and Budget</i> <i>Brenda Lakeman</i> <i>Faith Rentz</i></p> | <p>costs.</p> <ul style="list-style-type: none">• Question: Is the prescription plan used by State Employees, Medco, being bought out?• It is merging with Express Scripts. The State entered into a contract with Medco 7/1/11 for an initial 2 years with three 1-year renewable options. OMB will be closely monitoring the impact of this merger.• Question: Would this plan only cover brand name prescriptions?• Answer: No. Members could still get generics. Under the existing program, members must get the generic drug if one is available, or pay the difference if they want a brand-name drug. The State can't mandate that any longer with the EGWP program; members could get brand but the advantage would be the pharmaceutical companies are going to be paying the State a rebate.• Question: How would the high cost cancer drugs be handled in terms of priority and what about the formula issues involved with that?• Answer: Most of those drugs are considered covered specialty drugs. If they would not be covered under the EGWP program, the State would likely cover them on the rider to the program. Some of these drugs are covered under the medical benefit if they are administered in the doctor's office.• Question: I'm concerned that self-insured employers may be incentivized to change their retirees' coverage and the potential impact this may have on DMMA's Delaware Prescription Assistance Program (DPAP). Do you have a sense on what other employers' decisions may be in this regard?• Answer: Employers are just beginning to evaluate a move from RDF to EGWP.• Question: How many retirees would be impacted by this change?• Answer: The State has over 18,000 Medicare eligible retirees. Any changes in coverage must go through the State Employees Benefits Committee. | |
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| <p>Overview of EHR Incentive Fund Program <i>Troy McDaniel</i></p> | <p>Troy McDaniel, Senior Administrator over Systems within DMMA, gave an overview of the upcoming Medicaid Electronic Health Record Incentive Program.</p> <ul style="list-style-type: none">• Medicaid has been keeping an eye on the use of electronic health records and health information exchange for some time now. DMMA implemented a small electronic “e”-prescribing program within Medicaid in 2008. It has worked closely with the Delaware Health Information Network (DHIN) as it began connecting physicians, labs and hospital records.• In 2009 the federal government passed the Health Information Technology and Economic and Clinical Health Care (HITEC) Act as part of the American Recovery and Reinvestment Act of 2009. It allowed the Center for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator for Health Information Technology (ONC) to lay some groundwork for a nationwide investment in electronic health record technology. It developed several standards and concepts, one of which involves the meaningful use of the technology.• The Act established a monetary incentive program through both Medicare and Medicaid to encourage providers to meaningfully use certified technology. It provided meaningful use measures that providers must meet in order to receive the incentive payments. The measures increase in stages and encourage providers to increase their functionality and use of the technology over time.• The Act funded the development and improvement of health information exchanges to allow providers to meet the meaningful use requirements related to exchange and gathering of patient health information.• It established Regional Extension Centers (RECs) to assist providers with understanding, acquiring and using the certified technology in a meaningful way. Quality Insights of Delaware is Delaware’s REC.• In Delaware, providers will be able to register for the Medicaid incentive program on November 7, 2011. The incentives are 100% federally funded and have a payment schedule defined by the federal regulation. The eligible professionals can receive up to \$63,750 over | |
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August 31, 2011 Meeting Minutes

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| <p>Overview of EHR Incentive Fund Program (Cont'd) <i>Troy McDaniel</i></p> | <p>six years. Eligibility for hospitals is based on complex calculation that takes into account patient volume, patient growth rates, discharges, Medicaid and charitable care volume, etc.</p> <p>In summary, the HITEC Act established funding to promote the exchange of data, to encourage providers to use the technology and to provide education through the RECs to work with providers to get them to use it in a meaningful way.</p> <ul style="list-style-type: none"> • Question: What is the status of Delaware hospitals using electronic health records and which hospitals are in the DHIN network? • Answer: About 75% of Delaware hospitals are connected to the DHIN. A.I. DuPont just committed to come on board this year, which leaves just Nanticoke and the Veteran's Hospital unconnected. • Question: Can you clarify provider incentives for pharmacies, labs, nursing facilities etc.? • Answer: Right now federal incentives are just available to physicians and hospitals. It does not include a long term care facility. | |
| <p>Overview of the REC in the EHR Incentive Fund Program <i>Dr. Ed Sobel</i></p> | <p>Dr. Sobel discussed Quality Insights of Delaware role as the Regional Extension Center (REC) for Delaware. The REC's job is to assist practices to meet meaningful use criteria in order to qualify for incentive funds. It has a team of 20 staff working throughout Delaware. Its goal was to get 1,000 physicians enrolled. As of today, it has 1,259 physicians that have signed up.</p> | |
| <p>Overview of the DHIN <i>Dr. Jan Lee</i></p> | <p>Dr. Lee provided an overview of the DHIN. The concept of DHIN began back in the late 90's under Governor Carper, well before the HITECH Act. It originally operated under the Delaware Health Care Commission and went live in May 2007. Initially, BayHealth, Christiana, Beebe and LabCorp were the data sending organizations with five physician practices as the data receivers. Today, over 5,000 physicians, nurse practitioners and physician assistants in over 400 practices are enrolled and receiving data. St. Francis Hospital has been added and A.I. DuPont will be added later this year. It has two large</p> | |

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August 31, 2011 Meeting Minutes

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| <p><i>Overview of the DHIN (Cont'd)</i> <i>Dr. Jan Lee</i></p> <p><i>Medicaid MCO's</i> <i>Rob White (DPCI)</i> <i>Donald Langer</i> <i>(United)</i></p> | <p>reference labs and Dr.'s Pathology service enrolled. The DHIN supports laboratory, pathology, radiology, admission, discharge, and transfer reports. Some discussion ensued regarding the many benefits of DHIN. Some antidotes concerning DHIN were relayed.</p> <p>Mr. White, CEO of Delaware Physicians Care, Inc. (DPCI), began by emphasizing that, by definition, the Medicaid population is low income. Many of them suffer from literacy, housing, transportation, health, or substance abuse problems. He expressed concern that implementing co-payments could result in people either not getting a service as they don't have the money for the co-pay or getting the service without paying the co-pay, which will translate into bad debt for providers. Currently, Delaware Medicaid has the most comprehensive network of providers of any state in the nation despite the fact that none of them are getting rich off of taking care of the Medicaid patients. He expressed concern about the potential negative impact on the network of certain cost containment measures.</p> <p>Mr. White provided information on two DPCI incentive programs, with a caveat that they were not designed as research projects. As a result, it is difficult to quantify cost savings. The Get Rewards program (attach 2) is a relatively new and incentivize children, teens & young adults, women and adults to get preventative services. DPCI reviews their medical claims history in regards to well visits, immunizations and preventative care visits. Individuals are automatically entered into this program if they have received those exams and used preventive care measures. There is also a program for pregnant women (attach 3). Women who have had at least 7 prenatal visits and a post natal visit are eligible to receive incentives.</p> <p>With time running out, Mr. White and Mr. Langer were invited to return to the next meeting for further discussions.</p> | |
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August 31, 2011 Meeting Minutes

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| <i>Next Meeting</i> | The next scheduled meeting is September 14 th from 9:00 to 11:00 a.m. at Easter Seals. | | |
| <i>Adjournment</i> | Mr. Cherrin adjourned the meeting at 10:55 a.m. | | |

Respectfully submitted,

Rebecca Gallagher
Rebecca Gallagher
Recorder

Date Approved

Chairperson Signature