

Delaware Health and Social Services
 Joint MCAC / Commission on Medicaid Cost / Health Care Containment Meeting
 December 14, 2011 Minutes

<p>Date: December 14, 2011</p> <p>Place: Easter Seals – Kearns Center 61 Corporate Blvd. New Castle, DE 19720</p> <p>Time: 9:00 a.m. – 12:00 Noon</p> <p>Presiding: Chairman Richard Cherrin</p>	<p>Members Present: William Adami, Kris Bennett, Judith Chaconas, Richard Cherrin, Lori Christensen, Senator Catherine Cloutier, Calvin Freedman, James Lafferty, Dr. Leonard Nitowski, Dr. Julia Pillsbury, D.O. (via phone), Olga Ramirez, Kimberly Reinagel, Lori Ann Rhoads, Paula Roy, Lisa Schieffert, Yrene Waldron</p> <p>Members Absent: Penny Chelucci, Wendy Gainor, Senator Harris McDowell, Representative John Mitchell, Brandi Niezgoda, Ann Phillips, Representative Dennis Williams</p> <p>Staff Present: Dr. Anthony Brazen, D.O., Cindy Denemark, Rebecca Gallagher, Rosanne Mahaney, Dave Michalik, Sheila Nutter, Greg Roane, Glyne Williams</p> <p>Guests: Tim Barchak, Jessica Eisenbrey, Debbie Hamilton, Cheryl Heiks, Emily Kneser, Beth Miller, Dr. Adrienne Cresswell</p>
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TOPIC FOR DISCUSSION	DISCUSSION / ISSUE	ACTIONS	FOLLOW UP RESPONSIBILITY
<p>Call to Order: Richard Cherrin, Chairman</p>	<p>Chairman Cherrin called the meeting to order at 9:10 a.m., greeted everyone and thanked them for coming.</p>		
<p>Approval of Minutes: Richard Cherrin, Chairman</p>	<p>Chairman Cherrin asked if everyone had reviewed the minutes from the 11/30/11 meeting and called for any alterations, corrections or additions. Being none, the Chair called for a motion to accept the minutes as recorded. Mr. Lafferty motioned the minutes be accepted as recorded; Ms. Ramirez seconded the motion. The vote was unanimous. Motion carried.</p>		
<p>Summary of Medicaid Cost Containment Suggestions Richard Cherrin, Chairman</p>	<p>Senator McDowell emailed with a message to the Commission for the record: “I want to congratulate all the members for their excellent work on this task force committee. I hope you will continue to support innovation in the health care field and I recommend this group pass along to the governor all elements which have the potential to reduce costs and improve health care. If now is not the time to innovate, when is?”</p> <p>Chairman Cherrin led the Commission through the Cost Containment Strategies discussed for the past several months:</p> <p>1. <i>Reducing Provider Rates</i> – Reduction of provider rates apply only to lab</p>		

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	<p>rates and ER non-urgent rates. Discussion ensued regarding reducing lab reimbursements from 98% to 90%; in many surrounding states, lab reimbursement rates are already paying at 90%. Lab reimbursement would apply only to fee for service and Diamond State Partners. An estimated cost saving would equal approximately \$500,000.00. A vote was taken regarding reducing lab rates: Yea: 5; Nay: 7; Abstain: 1. This strategy will not be recommended.</p> <p>Reducing non-urgent ER rate (facility fee only). A separate task force was appointed to address this particular issue and had already written and submitted their report to the Joint Finance Committee. The report on the Utilization Study Group Findings was passed out to the Commission members. After reading the findings in the report, the Commission members voted: Yea: 5; Nay: 7. This strategy will not be recommended.</p> <p><i>2. Dis-incentivizing members' poor behaviors – smoking, substance abuse, poor eating and exercise habits that lead to obesity, etc. –</i> Some other states have proposed charging a higher co-payment to individuals who smoke or who are otherwise engaged in unhealthy habits, but to date, none of them have been approved by CMS. A vote was taken regarding dis-incentivizing members' poor behaviors: Yea: 0; Nay: 14. This strategy will not be recommended.</p> <p><i>3. Use if cost sharing</i></p> <p>A vote was taken: Yea: 0; Nay: 14. This strategy will not be recommended.</p> <p><i>4. Implement Medicaid benefit limits –</i></p> <ul style="list-style-type: none"> • <i>Non-urgent ER visits</i> • <i>20 therapy visits / yr (PT, OT, ST)</i> <p>Brief discussion ensued regarding this strategy. A vote was taken: Yea: 0; Nay: 14.</p>		
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	<p>This strategy will not be recommended.</p> <p>5. <i>The use of patient incentives to encourage the use of preventive services. (I.E.: Keep child wellness visits, keep child vaccines up-to-date, have annual physicals, etc.)</i> – The Commission determined that patient incentives were best left to the MCO’s. After some further discussion, decided to link strategy #5 and #6 together. A vote was taken: Yea: 12; Nay: 0 This strategy will be recommended.</p> <p>6. <i>Health Homes and Medical Homes may decrease costs through improved care coordination, avoiding ER usage and inpatient hospital care.</i> A vote was taken: Yea: 14; Nay: 0. This strategy will be recommended.</p> <p>7. <i>Implement Employer Group Waiver Plans (EGWPS) under the state employee health plan – Medicare retiree prescription benefit coverage options for employer sponsored prescription drug plans – Preliminary estimates for savings are between \$3 and \$10 million.</i> A vote was taken: Yea: 9; Nay: 4; Abstain: 1. This strategy will be recommended.</p> <p>8. <i>Increase use of primary care physicians</i> A vote was taken: Yea: 14; Nay: 0. This strategy will be recommended.</p> <p>9. <i>Increased use of electronic medical records to reduce duplicative tests, unnecessary and duplicative medications and improve care coordination.</i> – It was suggested to bundle together increased use of electronic medical records; increase providers’ use of e-prescribing and e-prescribing capabilities and increased utilization of the Delaware Health Information Network (DHIN) by providers and recommend it as a Technology Package. A vote was taken: Yea: 14; Nay: 0. This strategy will be recommended.</p>		
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	<p><i>10. Medicaid Managed Long Term Care program –</i> A vote was taken: Yea: 13; Nay: 0; Abstain: 1. This strategy will be recommended.</p> <p><i>11. Enhance Medicaid Program Integrity strategies. For example, under the ACA, Medicaid programs are mandated to utilize a Recovery Audit Contractor (RAC) that Medicare has utilized for many years.</i> A vote was taken: Yea: 12; Nay: 0; Abstain: 2. This strategy will be recommended.</p> <p><i>12. Offer preventive dental care for Medicaid adults.</i> A vote was taken to have further study of doing a cost benefit analysis. Yea: 14; Nay: 0. This strategy will be tabled for now.</p> <p><i>13. Change Delaware dentist licensing process to improve provider network –</i> Capacity of dental providers in Delaware was discussed. The Commission issued a letter endorsing that Delaware adopt a reciprocity agreement with other states for dentists. A brief discussion regarding dentists and the Dental Society ensued. This strategy has already been acted upon and Chairman Cherrin felt there was no need for a vote.</p> <p><i>14. Place tax on sugary drinks –</i>The Commission agreed that perhaps a tax not only on sodas, but also juice drinks should be recommended. It was suggested that the Commission look at this strategy as a means to defray Medicaid costs as opposed to a cost saving initiative. It was suggested that the food stamp program not cover the purchase of fruit juices. Concern was expressed that this recommendation will become the centerpiece of our report, given its focus and controversy in other states; it could easily be distracting from our work. A vote was taken: Yea: 10; Nay: 1. This strategy will be recommended.</p> <p><i>15. Implement a PACE program –</i> The Commission discussed the benefits of PACE (Program for All-Inclusive Care for the Elderly), which provides the</p>		
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	<p>elderly with an alternative to nursing home placement. A vote taken was unanimous. This strategy will be recommended.</p> <p><i>16. Move pharmacy to the Medicaid MCO benefit package</i> –Some concern was expressed regarding this strategy in moving pharmacy from a not-for- profit group to a for- profit- group. It is believed that no one can negotiate prescription prices better than Medicaid as they base costs on the cost of the prescription with a modest fee of \$3.65 added on to it. It was questioned if there would truly be a cost savings to shifting pharmacy to the MCO’s. It was generally felt that further investigation would be required. A vote was taken: Yea: 0; Nay: 14. This strategy will not be recommended.</p> <p><i>17. Implement ACA option of Health Homes for Medicaid Patients with Chronic Conditions is an Affordable Care Act Option</i> – A vote was taken: Yea: 14; Nay: 0. This strategy will be recommended.</p> <p><i>18. Integrate care for the dually eligible (those covered by both Medicaid & Medicare)</i> –The federal government is making new models available to better coordinate and integrate the care provided by the two public insurances, Medicaid & Medicare. A vote was taken to postpone putting this strategy forth was taken: Yea: 14; Nay: 0. This strategy will be recommended at a later date.</p> <p><i>19. Implement a Prescription Drug Monitoring Program (PDMP)</i> – A PDMP would serve as a central database where all dispensers licensed in the state must report on their dispensing of controlled substances regardless of payer source. Goal is to reduce “doctor shopping”; prevent fraud; make investigations of providers and patients more efficient and proactively use the information to identify potential problems. It was suggested that the government officials look at making this a regional program and cooperate with other states given Delaware’s small size. People could go over the state line, get their</p>		
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	<p>prescriptions filled and bring the drugs back into Delaware. It was also suggested that a standing task force consisting of providers, government officials and law enforcement cooperating in an on-going basis to address this issue as soon as possible. A vote was taken: Yea: 14; Nay: 0. This strategy will be recommended.</p> <p><i>20. Reducing or cutting optional Medicaid populations</i> – Some members felt that covering these optional populations saves the state money by reducing uncompensated care. Some commented that providing them with preventive services through Medicaid reduces their future need for high cost medical care. Six month GF cost savings of reducing Medicaid income limit for Expanded Population could range between \$14 million to \$21 million. A vote was taken: Yea: 0; Nay: 14. This strategy will not be recommended.</p> <p><i>21. Utilization of Consumer Directed Health Plans (CDHPs) as Medicaid health insurance product through Health Savings Accounts</i> – Commission Chairman Cherrin presented information on HSAs. He noted that many insurers and employers are opting for CDHPs, which are designed to lower costs by giving consumers more responsibility for managing their own health care spending. A Waiver would have to be drafted to accomplish this idea. The Commission felt this is a concept worth further exploration. A vote was taken regarding whether to recommend that the state further explore this strategy: Yea: 13; Nay: 1 It will be recommended that the State further explore this strategy.</p> <p><i>22. Health- Pact's Care Delaware Pilot</i> – Proposed Pilot in Sussex County that would contract for all non-catastrophic services based on a total monthly capitation of \$150.00 per month. The Commission felt it is an innovative concept; however, there were a lot of unanswered questions but certainly worth further exploration. A vote was taken for DMMA staff to perform further study on this topic.</p>		
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<i>Other News</i>	Chairman Cherrin announced that Paula Roy was retiring at the end of this month and thanked her for her service to not only the Council but also to the people of the state of Delaware.		
<i>Public Comment</i>	No public comments were brought forth.		
<i>Adjournment</i>	Being late and no further business being brought forth, Chairman Cherrin adjourned the meeting at 12:30 p.m. Happy Holidays to all!		

Rebecca Gallagher

 Rebecca Gallagher
 Recorder

 Date

 Richard Cherrin
 Chairman