

**FINAL MINUTES OF THE
MEDICAL ASSISTANCE ADVISORY COUNCIL MEETING**

January 27, 2012

PRESENT MEMBERS:

Dr. Deborah Spitalnik
Mary Coogan
Jay Jimenez
Valerie Powers-Smith (via conference line)
Beverly Roberts

ABSENT MEMBERS:

Patricia Kleppinger
Wayne Vivian
Dr. Sidney Whitman

STATE REPRESENTATIVE:

Valerie Harr, Director, Division of Medical Assistance and Health Services

GUESTS:

Evelyn Liebman	AARP
Bernadette Katsur	Alkermes, Inc.
Michael Rooney	Alkermes, Inc.
Cathy Chin	Alman Group
Brian DeShields	AstraZeneca Pharmaceuticals, Inc.
Tom Grady	Brain Injury Association of New Jersey
Ronald Poppel	Bristol-Myers Squibb
Tai Lee	Centers for Medicare and Medicaid Services
John Guhl	Centers for Medicare and Medicaid Services
Dan Willis	Children's Specialized Hospital
Mike Sabo	DSH Management Solutions
Sean Norman	Eisai
Ryan Urgo	Eli Lilly, Inc.
Lauren Agoratus	Family Voices
John Monahan	Greater Trenton Behavioral Healthcare
John Kirchner	Healthfirst Plan of NJ
Lisa Knowles	Healthfirst Plan of NJ
Mike Giovanni	Healthplex (via conference line)
Loredana Cromarty	Home Health
George Ingram	Horizon NJ Health
Bob Miller	Jersey Association of Medical Equipment Services

Wendy Russalesi	Jersey Association of Medical Equipment Services
Phil Lachaga	Johnson and Johnson
Michelle Paulik	Johnson and Johnson
Gwen Orlovski	Legal Services of New Jersey
Christine Fares Walley	LIFE St. Francis
Elizabeth Andolino	Matheny Hospital
Laura Maran	Matheny Hospital
Dennis Lafer	Mental Association of New Jersey
Debra Wentz	New Jersey Assoc. of Mental Health Addiction Agencies
Deborah Polacek	New Jersey Family Planning League
Ray Castro	New Jersey Policy Prospective
Selina Haq	New Jersey Primary Care Association
Beth Fitzgerald	New Jersey Spotlight
James Zerr	Pfizer
Mary Kay Roberts	Riker Danzig
Barbara May	Southern NJ Perinatal Cooperative
Tony Severoni	Sunovion
Carolyn Baldacchini	Unitarian Universalist Legislative Ministry
Bill Cahill	United Healthcare
Michael Simone	United Healthcare
Scott Waulters	United Healthcare
Zinke McGeady	Values into Action
Theresa Beck	Visiting Nurse Association of Central Jersey
Elizabeth Brennan	Department of Health and Senior Services
Kathy Mason	Department of Health and Senior Services
Alaba Ogunleye	Department of Health and Senior Services
Lou Ortiz	Department of Health and Senior Services
Dr. Martin Zanna	Department of Health and Senior Services
Ryan Goodman	Department of Human Services
Frieda Phillips	Department of Human Services
Maribeth Robenolt	Division of Developmental Disabilities
Karen Kasick	Division of Family Development
Mollie Greene	Division of Mental Health and Addiction Services
Karen Brodsky	Division of Medical Assistance and Health Services
Osato Chitou	Division of Medical Assistance and Health Services
Meghan Davey	Division of Medical Assistance and Health Services
Kim Hatch	Division of Medical Assistance and Health Services
Carol Grant	Division of Medical Assistance and Health Services
Dr. Clifford Green	Division of Medical Assistance and Health Services
Elena Josephick	Division of Medical Assistance and Health Services
Mike Keevey	Division of Medical Assistance and Health Services

Linda Lewis-Day	Division of Medical Assistance and Health Services
Pat LeMunyon	Division of Medical Assistance and Health Services
Phyllis Melendez	Division of Medical Assistance and Health Services
Hope Morante	Division of Medical Assistance and Health Services
Susan Pustay	Division of Medical Assistance and Health Services
Pam Orton	Division of Medical Assistance and Health Services
Louise Patterson	Division of Medical Assistance and Health Services
Jennifer Petrino	Division of Medical Assistance and Health Services
Robert Popkin, Esq.	Division of Medical Assistance and Health Services
Cindy Rogers	Division of Medical Assistance and Health Services
Margaret Springer	Division of Medical Assistance and Health Services
Elizabeth Wood	Division of Medical Assistance and Health Services

CALL TO ORDER

The meeting of the Medical Assistance Advisory Council (MAAC) was called to order by Chairperson Spitalnik at 10:05 a.m. Chairperson Spitalnik welcomed the members of the MAAC and members of the public.

APPROVAL OF MINUTES

Due to the lack of a quorum, Chairperson Spitalnik postponed the final approval of the Minutes of the June 13, 2011 and October 11, 2011 MAAC meetings and committed to seek formal approval at the next meeting on April 16, 2012.

DIRECTOR'S REPORT

Performance Bonus: Director Harr announced that a \$17 million Performance Bonus was granted to New Jersey from the Centers of Medicare and Medicaid Services (CMS) for enrolling 30,000 children into NJ FamilyCare/Medicaid last year. Director Harr extended her appreciation to the County Welfare Agencies, Health Benefit Coordinators and to Heidi Smith, Director, NJ FamilyCare Outreach.

Ms. Harr further noted that the Performance Bonus funds will be dispersed into the state's General Fund.

IT Update: The Division is undertaking a major project with the Division of Family Development (DFD) designing a new automated eligibility determination system – the Consolidated Assistance Support System (CASS). CASS will replace multiple data processing applications used for eligibility-based benefit programs by used by the Division of Medical Assistance and Health Services (DMAHS) and DFD. All twenty-one County Welfare Agencies will be utilizing CASS. CASS is on schedule for implementation in fall 2013.

Medicaid Management Information System (MMIS): As the Medicaid program's fiscal agent, the MMIS handles all claims processing for DMAHS and other New Jersey divisions and departments. New Jersey is in the process of drafting a proposal to re-procure a new fiscal agent. The Request for Proposal (RFP) is expected to be released by year's end.

Health Access Program: Governor Christie signed a Bill that restored eligibility for eighty-one individuals who were formerly in the Health Access program. These individuals were previously funded under NJ FamilyCare by all-state funded dollars. The Governor's previous budget proposed to terminate this state-only funded program for childless adults.

Since the program's restoration, DMAHS plans to mail letters to those that have lost coverage and determine their interest in continued health coverage. In addition, former Health Access beneficiaries will be given instructions on how to be reimbursed for outstanding medical bills.

Medicaid Leadership Program:

Director Harr was selected to participate as a fellow in the Medicaid Leadership Institute Class of 2012. The year-long program is a partnership between The Center for Health Care Strategies, Inc. (CHCS) and the Robert Wood Johnson Foundation (RWJF) to foster the exchange of innovative ideas and technical skills among the six state Medicaid Directors chosen through a competitive process. The class includes Medicaid Directors from Rhode Island, New Hampshire, New Mexico, Texas, Iowa and New Jersey.

Running through July 2012, the class has undertaken projects under the direction of a Leadership Coach. Director Harr selected managed behavioral health care as her focus. In the class, two other states selected mental health and substance abuse issues. Rhode Island's focus is prisoner re-entry and Iowa is focusing on designing a children's system of care.

PRESENTATION: U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

Chairperson Spitalnik introduced Dr. Jaime R. Torres, Regional Director, Region II (New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands), U.S. Department of Health and Human Services (HHS), who provided a presentation on *The Affordable Care Act (ACA) and their Benefits to the People of New Jersey*.

Highlights of Dr. Torres' remarks included the following:

- HHS is one of the largest Agencies within the federal government providing services to the most vulnerable in the United States;
- Programs administered by HHS include Medicare, the largest health insurer in the country, and Medicaid. Between Medicaid and Medicare, HHS covers one in four Americans from pre-conception to retirement;
- The ACA was passed by Congress in March 2010;
- Key provisions of the ACA described by Dr. Torres include:
 - A Patient Protection Bill that includes language that makes it illegal for any child to be denied medical services for pre-existing conditions;
 - No limits on the lifetime of a health plan; and,
 - Affordable Insurance Exchanges (Exchanges) for every state by 2014;

- Exchanges are designed to make buying health coverage easier and more affordable. Starting in 2014, Exchanges will allow individuals and small businesses to compare health plans, get answers to questions, find out if they are eligible for tax credits for private insurance or health programs like the Children’s Health Insurance Program (CHIP), and enroll in a health plan that meets their needs; and,
- The ACA is already helping the people of New Jersey by bringing insurance reforms to residents through the funding of: a Consumer Assistance Program, insurance rate reviews, Exchange planning, and health promotion and illness prevention program. Also, there have been over \$1 billion additional grant awards to New Jersey for programs instituted by the ACA.

Dr. Torres extended an offer to attendees to assist New Jersey Medicaid, and its stakeholders, in furthering the understanding of the ACA provisions and its impact on the state of New Jersey. Dr. Torres may be contacted at jaime.torres@hhs.gov.

Dr. Torres distributed a hand-out titled: “Affordable Care Act in New Jersey” to attendees.

Beth Fitzgerald of New Jersey Spotlight commented that HHS has given large amounts of money to other states for Exchanges. Ms. Fitzgerald wanted to know if New Jersey will be given money. Dr. Torres responded that:

1. New Jersey has the opportunity to create their own Exchange and apply for funding to support the Exchange planning activities;
2. The Federal government will pay for the Exchange for four to five years and then the Exchange has to be self-sustainable;
3. The law states that in 2014 everyone will be required to buy insurance;
4. The federal government will give tax credits to help pay for insurance; and,
5. Visit www.healthcare.gov for more information on the ACA implementation as well as public and private insurance options.

Dennis Lafer of the Mental Association of New Jersey asked Dr. Torres how prescriptive the Essential Health Benefits package will be; particularly for mental health (MH) and substance abuse (SA). Dr. Torres commented that the government issued guidelines in December 2011 which gives states some flexibility. Dr. Torres asked Mr. Lafer to e-mail him about specific questions about MH provisions

Michael Rooney of Alkermes, Inc. expressed that they felt health care parity, as it related to MH and SA provisions in the ACA, could be “whittled” away.

Debra Wentz of the New Jersey Association of Mental Health and Addiction Agencies asked Dr. Torres about the HHS vision for cultural competency and the availability of best practices to reach diverse populations. Dr. Torres responded that Secretary Sebelius’ vision is for every HHS service to be culturally sensitive.

Comprehensive Medicaid Waiver (CMW) Update

Director Harr provided an update on the CMW application to CMS and noted the following:

- DMAHS is making significant progress with CMS;

- Commissioners Velez and O'Dowd met with the providers of the Program of All-Inclusive Care for the Elderly (PACE) whereby the HMOs participated. The PACE program will continue to be an alternative program and will not be collapsed into the CMW, if approved;
- DMAHS cannot comment specifically on what the CMW will look like at this juncture;
- Two major delivery changes are anticipated under the CMW: managed behavioral health (BH) care and managed long-term services and supports (MLTSS):
- Managed BH care:
 - A Steering Committee Kick-off event, facilitated by the CHCS, took place on January 20, 2012 at Mercer County College whereby nearly forty individuals attended;
 - CHCS reviewed managed BH programs of other states and initiated the formation of four Subcommittees to address: access, clinical implications, fiscal implications and outcomes;
 - The Subcommittees will meet during February 2012; make recommendations to the Steering Committee in March 2012 and finalize a report from the Steering Committee in April 2012; and,
 - The work of the Steering Committee will help to formulate an RFP for the administrative services organization or managed BH care organization.
- MLTSS:
 - Managed long-term care will rebalance the system of care and provide: access to services in the community through the use of increased home and community based service options;
 - CMS approval is needed to move toward MLTSS;
 - DMAHS is working with the Department of Health and Senior Services (DHSS) to plan this initiative;
 - A Steering Committee with Subcommittees will form in February 2012 to begin the development and design of MLTSS in New Jersey;
 - The Steering Committee will make recommendations with the design of the managed care organization MLTSS contract;
 - The Steering Committee Subcommittees will address: provider transition, access, quality monitoring and assessment to appeals;
 - Resources to assist the Steering Committee will be provided by CHCS and the RWJF; and,
 - One of the states New Jersey intends to learn from is Tennessee.

Medicaid Long Term Care Advisory Council

Sherl Brand, RN, BSN, President, Chief Executive Officer and Director of Emergency Preparedness of the Home Care Association of NJ, Inc. provided an overview of the work of the Medicaid Long Term Care Advisory Council (LTC MAC). The LTC MAC is jointly chaired by Ms. Brand and Theresa Edelstein, Vice President of Continuing Care Services, New Jersey Hospital Association.

Ms. Brand's update included the following information:

- The Independence Dignity and Choice Long-Term Care (LTC) Act was signed into law in 2006 with specific mandates and deliverables:
- The twelve public members service on the LTC MAC which was created to:

- Monitor access and advise the Commissioners of the Department of Human Services and DHSS on the state's rebalancing efforts and needs through quarterly meetings; and,
- Develop recommendations to recruit and train the workforce because as the needs for the home and community based services grow, a qualified workforce is needed.
- Activities of the LTC MAC include:
- Monitoring of the Aging and Disability Resource Connection (ADRCs) rollout;
 - The ADRC's initial sites were piloted in Atlantic and Warren counties;
 - Eighteen of the twenty-one counties fully implemented ADRCs by the end of 2011 and the last three counties will implement ADRCs in 2012.
- Developing and implementing a consumer assessment instrument;
 - Social Assistance Management System (SAMS);
- Planning for LTC service coordination and management,
- Identifying home and community based services, and,
- Reviewing various LTC models and alternatives;
- The LTC MAC supports other initiatives that promote self-direction including the Global Options Waiver, the Money Follows the Person initiative and the Community Choice Option initiative.
- The LTC MAC also supports the modernization of Medicaid's eligibility determination system through the implementation of CASS;
- Within the year, Commissioner O'Dowd of DHSS will provide recommendations on Rebalancing;
- The LTC MAC is required to submit a report to the Governor annually.

Council Member Roberts inquired to Ms. Brand if someone from the Governor's Office has been appointed to the LTC MAC. Ms. Brand indicated that there has not been any feedback regarding new appointments to the LTC MAC.

Council Member Roberts also noted that there is a lack of national models that exist on how the dually diagnosed are incorporated into system. Director Harr commented that the state is having internal meetings to discuss this topic.

Council Member Coogan inquired about the timing of the CMW approval or denial. Director Harr said that the state cannot predict the timing of approval or denial. The state and CMS is in the process of closing out some of the remaining open issues. Director Harr assured attendees that there is good progress being made

John Monahan of Greater Trenton Behavioral Health Care asked if there will be cross-fertilization or a sharing of information between the Subcommittees and the Steering Committee. Director Harr said the Subcommittees will share their recommendations in March 2011 and the Steering Committee will devise a final report in April 2012. DMAHS is exploring the feasibility of sharing information over a web portal, as well.

Ray Castro of New Jersey Policy Perspective asked what the state plans to release once the CMW is approved. Director Harr noted that she cannot independently make that decision. Director Harr said that she understood CMS would most likely release a summary of the approved CMW and perhaps the Special Terms and Conditions document.

Linda Lewis-Day, Director, Contract Management, Office of Managed Health Care and Carol Grant Chief of Operations provided an update on Medicaid managed care.

The following are highlights of the update:

- Monitoring Goals
- DMAHS Processes to Monitor Managed Care Activities
- Sample HMO Reports
- Sample of HMO Policies & Procedures
- Examples of Marketing Literature
- Provider Network Analysis
- Office of Quality Assurance Quality Strategies
- The External Quality Review Organization (EQRO) Annual Assessment
- EQRO Review Categories
- Major EQRO Activities
- Member Satisfaction Tools
- Health maintenance Organization (HMO) Transition
- Program Integrity Monitoring
- HMO Monitoring Meetings
- HMO Performance Report
 - Quality Measures Used
 - The Assessment of Health Plan Operations
 - Health Plan Overall HEDIS Ratings at-a-Glance
 - Consumer Assessment of Healthcare Providers and Systems
 - Reports from the Health Plans on Best Practices

Karen Brodsky, Chief of DMAHS Managed Care Contracting, reported that the HMO Performance Annual Report was released last year, for the first time, on the DMAHS website.

Director Harr suggested that at the next meeting of the MAAC, we should walk through the HMO Performance Report to share its findings with the public. Chairperson Spitalnik agreed.

Council Member Roberts inquired about who would address payment issues. State representatives in attendance informed the public that managed care questions or issues can be filtered through the Office of Customer Service at DMAHS.

Council Member Roberts mentioned that the managed care credentialing and contracting timeframes at the health plans is too long. Director Harr responded that DMAHS is currently reviewing these processes with the health plans.

Ray Castro commented on the importance of transparency and public monitoring as it relates to the CMW.

Carolyn Baldacchini of the Unitarian Universalist Legislative Ministry shared that she wanted to ensure women were getting the care they need and inquired about how many breast surgeons are

located in New Jersey. Director Harr suggested that DMAHs staff connect with her to answer any specific questions she may have.

A durable medical equipment (DME) provider shared concerns about incontinence supplies in the managed care environment. Valerie Harr acknowledged that DME needs to be addressed and committed to DMAHS' review of the issue.

NEXT MEETING

Chairperson Spitalnik announced the next two meeting dates: April 16, 2012 from 2:00 PM – 4:00 PM at the DMAHS Offices at Quakerbridge Plaza; and, June 25, 2012 from 10:00 AM – 12:00 Noon in the Auditorium of the New Jersey State Police, Forensic Science Technology Center, 1200 Negron Drive, Hamilton, New Jersey whereby one form of photo identification is required to enter the Center.

Agenda topics for the next meeting will include:

- Updates on Comprehensive Waiver;
- Updates on MLTSS Planning; and,
- HMO Performance Report Overview.

ADJORNMENT

Chairperson Spitalnik thanked Council Members and members of the public for attending and participating. Chairperson Spitalnik also thanked state staff for their on-going efforts.

The meeting of the MAAC adjourned at 12:27 p.m.