

**Managed Risk Medical Insurance Board  
May 12, 2011, Public Session**

Board Members Present: Cliff Allenby (Chairman)  
Samuel Garrison  
Richard Figueroa

Ex Officio Members Present: Katie Marcellus, Designee for the Secretary of  
the California Health and Human Services Agency  
Tim LeBas, Designee for the Secretary of Business,  
Transportation and Housing Agency  
Jack Campana, Chairman of the Healthy Families  
Advisory Panel

Staff Present: Janette Casillas, Executive Director  
Shelley Rouillard, Deputy Director, Benefits &  
Quality Monitoring  
Ernesto Sanchez, Deputy Director, Eligibility,  
Enrollment & Marketing  
Jeanie Esajian, Deputy Director, Legislative &  
External Affairs  
Teresa Krum, Deputy Director, Administration  
Loressa Hon, Manager, Administration  
Tony Lee, Manager, Administration  
Thien Lam, Assistant Deputy Director, Eligibility,  
Enrollment & Marketing  
John Symkowick, Legislative Coordinator,  
Legislative & External Affairs  
Sarah Soto-Taylor, Supervisory Manager, Special  
Projects Eligibility, Enrollment & Marketing  
Ruth Jacobs, Assistant Deputy Director, Benefits &  
Quality Monitoring  
Brian Warren, Manager, Benefits & Quality Monitoring  
Muhammad Nawaz, Manager, Benefits  
& Quality Monitoring  
Lilia Coleman, Manager, Benefits & Quality Monitoring  
Rachelle Weiss, RPS1, Benefits & Quality Monitoring  
Seth Brunner, Senior Staff Counsel, Legal  
Heather Wallace, Senior Staff Counsel, Legal  
Maria Angel, Executive Assistant to the  
Board and the Executive Director  
Kim White, Board Assistant

Chairman Allenby called the meeting to order at 10:01 a.m., and then convened the Board into Executive Session. The Chairman reconvened the Public Session at 11:30 a.m., noting the earlier Executive Session. He said Executive Session would reconvene after Public Session because the Board had not completed its work.

## **REVIEW AND APPROVAL OF MINUTES OF MARCH 16, 2011 PUBLIC SESSION**

The minutes were unanimously approved as submitted.

The March 16, 2011 Public Session Minutes are located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_3\\_Public\\_Minutes\\_3-16-11.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_3_Public_Minutes_3-16-11.pdf)

## **FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY (INCLUDING HEALTH CARE REFORM, ECONOMIC STIMULUS & BUDGET)**

Jeanie Esajian, Deputy Director for Legislation and External Affairs, reported on Agenda Item 4, Federal Budget, Legislation and Executive Branch Activity.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The documents for the Federal Budget, Legislation & Executive Branch Activity update are located at: [http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/agenda\\_item\\_4.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/agenda_item_4.pdf)

## **EXTERNAL AFFAIRS UPDATE**

Ms. Esajian reported on Agenda Item 5, External Affairs Update. The external affairs report covers a 60-day period, instead of the usual 30 days because the Board did not meet in April. During this period media coverage focused on budget impacts of Healthy Families, efforts to raise awareness of children's health insurance and the one-year anniversary of the enactment of the Affordable Care Act. Legislation and External Affairs issued a news release during this period on the premium changes for PCIP for 2011. Also during that time period, staff work with the Sacramento Business Journal resulted in a PCIP subscriber featured in a broad piece on health care reform publication of an op-ed by Chairman Allenby on how PCIP could benefit entrepreneurs of businesses with fewer than two employees.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The External Affairs Update is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/agenda\\_item\\_5\\_EA\\_Update\\_5-12-11.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/agenda_item_5_EA_Update_5-12-11.pdf)

## **STATE BUDGET UPDATE**

There was not a state budget update reported to the Board.

## **STATE LEGISLATION**

John Symkowick, Legislative Coordinator, reported on Agenda Item 7, the State Legislation update. Four bills were added to the report since the last Board meeting. AB 589 by Assembly Member Henry Perea would, beginning in 2014, fund medical school scholarships using managed care administrative fine and penalty funding currently allocated to the Major Risk Medical Insurance Program. The same funding stream is also being proposed for use through SB 635, by Senator Ed Hernandez. Both of these bills have been placed on their respective appropriation suspense files. AB 714, by Assembly Member Tony Atkins, would require certain public health coverage programs, including HFP, AIM, MRMIP and PCIP to notify individuals who disenroll that they may be eligible for subsidized coverage through the Exchange beginning in 2014. The bill would also require responsible state departments, including MRMIB, to transfer information to the Exchange to enable eligibility determination and enrollment. SB 677, also by Senator Hernandez, would, beginning in 2014, require the Department of Health Care Services to use the modified adjusted gross income to determine income eligibility for Medi-Cal as required under ACA.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The State Legislative Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_7\\_State\\_Legislative\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_7_State_Legislative_Report.pdf)

## **PRE-EXISTING CONDITION INSURANCE PLAN (PCIP)**

### **Enrollment Report**

Thien Lam, Assistant Deputy Director for the Eligibility Division, reported on Agenda Item 8.a for March and April. The March data was not previously reported because the Board did not meet in April. At the end of April there were 2,436 subscribers enrolled in the program, with more than 430 of them new subscribers. A total of 2,600 subscribers were enrolled in the program during the fiscal year, reflecting some disenrollments. As of yesterday, there were more than 2,570 PCIP enrollees. There were no notable changes to the subscribers' demographic information or enrollment in the top ten counties. The program processed more than 700 applications, with more than 25 percent of them assisted by insurance agents and brokers.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Enrollment Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_8.a\\_PCIP\\_Enrollment\\_Summary\\_Reports.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_8.a_PCIP_Enrollment_Summary_Reports.pdf)

## Administrative Vendor Performance Report

Ms. Lam reported on Agenda Item 8.b, the Administrative Vendor Report. During the reporting period, the administrative vendor met all 16 areas of performance, quality and accuracy standards.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Administrative Vendor Performance Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_8.b\\_PCIP\\_Adm\\_in\\_Vendor\\_Perf\\_Rpt.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_8.b_PCIP_Adm_in_Vendor_Perf_Rpt.pdf)

## Third Party Administrator (TPA) Performance Report

Brian Warren, PCIP Benefits Manager, reported on Agenda Item 8.c, the Third Party Administrator Performance Reports for March and April. In the month of March, the third-party administrator met or exceeded all performance standards. During the month of April the third-party administrator met or exceeded most performance standards. However, performance standards for the call center answer time in the subscriber/customer service call center or the provider/technical support call center were not met. This is the third time the vendor did not meet this performance standard. Staff is working with the vendor to solve this problem. The vendor has hired two additional staff for the call center. Improvement was seen in April, but not to the point where the month's performance averaged to meet the performance standard. Staff will continue to work with the vendor and keep the Board apprised of progress.

The PCIP TPA Performance Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_8.c\\_March\\_TPA\\_Performance\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_8.c_March_TPA_Performance_Report.pdf)

## Utilization Reports

Mr. Warren reported on Agenda Item 8.d, PCIP Utilization Reports. One report is for November and December, the other is for the first quarter of 2011 and the third is a cumulative report. Chairman Allenby asked if the average cost per subscriber is the average cost for the period, not a monthly figure. Mr. Warren confirmed that was correct. The medical utilization rates in the reports are based on the total number of services divided by the average number of subscribers over the period that is being measured, so those rates do get skewed a bit because enrollment is increasing, since the denominator is an average in that equation. The goal is to get these closer to the actual rate as enrollment may start to level out. But a month-to-month basis provides a true measure. Under the pharmacy utilization, the conditions are listed for which the drugs are typically prescribed; however, these may not be the actual conditions that PCIP subscribers have. Chairman Allenby commented on the pharmacy utilization and how usage is 73 percent generic and 26 brand name, but the costs are just the reverse. Mr. Warren noted that it was positive that PCIP subscribers are using the medical benefits wisely and saving money.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The PCIP Utilization Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_8.d\\_PCIP\\_Utilization.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_8.d_PCIP_Utilization.pdf)

#### Other Implementation Issues

There were no items to present under Agenda Item 8.e.

### **MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE**

#### Enrollment Report

Ms. Lam reported on Agenda Item 9, the Major Risk Medical Insurance Program Update. As of May 1, there were more than 6,620 subscribers enrolled in MRMIP, including 180 new subscribers. A total of 195 subscribers were disenrolled during the same period. Staff has noticed an increase in the number of individuals being disenrolled from MRMIP, and will continue to monitor this trend. There were no notable changes to the demographic information or the counties in which individuals are enrolled in.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Enrollment Report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_9.a\\_MRMIP\\_Enrollment\\_Summary\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_9.a_MRMIP_Enrollment_Summary_Report.pdf)

#### Update on Enrollment Cap and Waiting List

Ms. Lam reported on Agenda Item 9.b, the Update on Enrollment Cap and Waiting List. And as of May 7, there were 32 people on the waiting list, solely because of deferred enrollment.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Update on Enrollment Cap and Waiting List is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_9.b\\_MRMIP\\_Enrollment\\_Cap\\_Waiting\\_List.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_9.b_MRMIP_Enrollment_Cap_Waiting_List.pdf)

#### Administrative Vendor Performance Report

Ms. Lam reported on Agenda Item 9.c, the Administrative Vendor Performance Report. The administrative vendor met all of the four areas of performance standards.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Administrative Vendor Performance Report can be found at:  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_9.c\\_MRMIP\\_Admin\\_Vendor\\_Perf\\_Rpt.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_9.c_MRMIP_Admin_Vendor_Perf_Rpt.pdf)

### Financial Report

Tony Lee, Manager, Administrative Division, reported on Agenda Item 9.d, the MRMIP Financial Report. The beginning balance of this program on July 1, 2010, was \$21.7 million. The revenues collected during this fiscal year were \$34.2 million. Actual expenditures through March 31, 2011 were \$16.8 million. Anticipated expenditure for the remaining of the fiscal year is \$24.5 million, leaving a projected balance of approximately \$14.6 million. As noted below, the fund balance will be needed for costs associated with MIP and GIP reconciliation.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The MRMIP Financial Report can be found at:  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_9.d\\_MRMIP\\_Financial\\_Statement.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_9.d_MRMIP_Financial_Statement.pdf)

## **HEALTHY FAMILIES PROGRAM (HFP) UPDATE**

### Enrollment and Single Point of Entry Report

Sarah Soto-Taylor, Supervisory Manager, Special Projects Eligibility, Enrollment & Marketing, reported on Agenda Item 10.a, the Healthy Families Program Enrollment and Single Point of Entry Report. As of the end of April, there were 870,970 children enrolled in the Healthy Families Program. There was no significant change in demographics or the top counties of enrollment. Los Angeles County continues to represent the top county of enrollment and the bulk of enrollees continue to be Latinas. There was a slight decrease in all applications received through Single Point of Entry over the reporting period and a slight increase in paper applications during the month of April. There also was a 2.3 percent increase in the number of applications forwarded to Medi-Cal.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Enrollment and Single Point of Entry Report is located at:  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.a\\_HFP\\_Enrollment\\_Summary\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.a_HFP_Enrollment_Summary_Report.pdf)

## Administrative Vendor Performance Report

Ms. Soto-Taylor reported on Agenda Item 10.b, the Healthy Families Program Administrative Vendor Performance Report. For the month of March and April, of 2011, the administrative vendor met Single Point of Entry and HFP performance standards, as well as quality and accuracy performance standards for the months of February and March.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Administrative Vendor Performance Report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.b\\_HFP\\_Admin\\_Vendor\\_Perf.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.b_HFP_Admin_Vendor_Perf.pdf)

## Payment of Premiums via Payroll Deduction

Ms. Soto-Taylor presented Agenda Item 10.c, Payment of Premiums via Payroll Deduction. In 2007, staff undertook efforts to allow the Healthy Families Program to accept premium payments from employers through payroll deduction. Premiums would be automatically deducted from the employees' earnings and the employer would forward the payment to Healthy Families. Staff has instructed the administrative vendor to again resume implementation of this project, taking into account lessons learned from other states and the commercial marketplace. Staff will continue to keep the Board updated on progress.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

## Health-e-App Update

Ms. Soto-Taylor reported on Agenda Item 10.d, the Health-e-App Update. The public access application was launched in late December and early January for English and Spanish versions, respectively. Usability testing was completed and preliminary findings hopefully will be incorporated into future project phases. Staff continues to work diligently on phases two and three, which include addition of the annual eligibility review, add-a-person functionalities and Access for Infants and Mothers functionality. From the month of March, more than 19,000 individuals logged onto the home page to view Health-e-App, more than 20,000 new public user accounts were created and more than 2,000 enrollment entities and certified application assistants created new accounts. More than 25,000 new Health-e-Apps were submitted during this time frame, which represented applications of more than 46,000 children to the Healthy Families or the Medi-Cal programs for final eligibility determination. Most applications were submitted in English, and the majority of them (53 percent) came from public users. There were approximately 3,500 One-e-Apps and nearly 43,000 paper applications submitted. The top five counties of public access Health-e-App submissions were Los Angeles, San Diego, Riverside, Orange and San Bernardino, in descending order. This was slightly different from the top five counties for enrollment entities, which are: Los Angeles, Orange, Kern, San Diego and Sacramento.

Board Member Figueroa asked if the Health-e-App statistics include the public access part. Ms. Soto-Taylor said that was correct. With public access, one is considered a single individual public person logging in, and creating an account, as opposed to a certified application assistant logging in and is applying for an individual.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The HFP Health-e-App document is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.d\\_HeApp\\_PA\\_Update.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.d_HeApp_PA_Update.pdf)

#### Advisory Panel Vacancy Recommendations

Chairman Allenby introduced Agenda Item 10.e, the Advisory Panel Vacancy Recommendations and noted that current Healthy Families Advisory Panel representative Jack Campana is recommended to continue on the Board. The Chairman expressed pleasure that Mr. Campana was willing to serve on the Board for another year. Mr. Campana said it will be his tenth year of service to the Board. The motion was moved, seconded and unanimously approved.

The HFP Advisory Panel Vacancy Recommendations is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.e\\_Advisory\\_Panel\\_Vacancy\\_Recommendations.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.e_Advisory_Panel_Vacancy_Recommendations.pdf)

#### Adoption of Emergency Regulations to Modify Vision Plan Benefits

Ruth Jacobs, Assistant Deputy Director for Benefits and Quality Monitoring, presented Agenda Item 10.f, Adoption of Emergency Regulations to Modify Vision Plan Benefits within the Healthy Families Program. The regulations implement AB 97, Chapter 3 Statutes of 2011, which requires the Board to develop emergency regulations to modify the vision benefits within HFP. The legislation allows MRMIB to restrict the providers through whom covered benefits can be provided, to reduce the benefits for services that are provided by out-of-network providers and to limit products and materials that are currently in the vision benefit package. The emergency regulations accomplish this by decreasing the maximum allowances for frames, lenses and elective contact lenses when received from out-of-network providers; limiting the selection of frames that a subscriber may get at no cost after applicable co-pays; and decreasing the allowance for frames and elective contact lenses when received from an in-network provider. The regulations also clarify that participating health, dental and vision plans must provide all medically necessary services to a subscriber suspected of having a California Children Services condition until such time as CCS authorizes and provides treatment for the child.

Chairman Allenby thanked Vision Service Plan for its work with the Legislature and MRMIB staff to help modify this benefit so it could be retained in the program.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The Resolution of Emergency Regulations to Modify Vision Plan Benefits is found at: [http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.f\\_ER-1-11\\_Adoption\\_of\\_Emergency\\_Regulations\\_to\\_Modify\\_Vision\\_Plan\\_Benefits.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.f_ER-1-11_Adoption_of_Emergency_Regulations_to_Modify_Vision_Plan_Benefits.pdf)

### Authorization of Vision Plan Contract Amendments and Extensions

Chairman Allenby introduced Agenda Item 10.g, Authorization of Vision Plan Contract Amendments and Extensions, which incorporate the newly adopted emergency regulations into contracts with the vision plans serving HFP. The amendments and extensions were moved, seconded and unanimously approved by the Board.

Ms. Casillas noted that these contract amendments and extensions did not result in any changes to the vision plans participating in HFP. All three vision plans will continue to serve subscribers in current counties of operation.

The Resolution to Authorize Vision Plan Contract Amendments and Extensions is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.g\\_Authorization\\_of\\_Vision\\_Plan\\_Contract\\_Amendments\\_and\\_Extensions.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.g_Authorization_of_Vision_Plan_Contract_Amendments_and_Extensions.pdf)

### 2009 Plan Performance Profile Report

Rachelle Weiss, Research Program Specialist in the Benefits and Quality Monitoring Division, presented Agenda Item 10.h, the 2009 Plan Performance Profile Report. The report provides an evaluation of the performance of each health, dental plan and vision plan in HFP based on the 2009 HEDIS performance measures, 2009 dental performance measures and monthly enrollment data for 2008 to 2009. The health and dental plan profiles also include information about areas of achievement and areas of improvement, which were determined based on a change of at least three percentage points from 2008 to 2009, as well as HEDIS or dental performance measure rates that were at least three percentage points above or below the 2009 HFP weighted average. Six plans had HEDIS measures in about half the categories that were significantly higher than their 2009 weighted average. These were: Kaiser Foundation Health Plans South and North, Cal Optima, Central California Alliance for Health, San Francisco Health Plan and Health Plan of San Mateo. Six other plans had eight or more HEDIS measures that were significantly lower than the 2009 HFP weighted average. These were: Anthem/Blue Cross HMO, Blue Shield EPO, Blue Shield HMO, Community Health Plan, Molina Healthcare and Ventura County Healthcare Plan. Overall, all plans did well in the children's access to primary care measure, appropriate medication for asthma and appropriate treatment for upper respiratory infection measures. Nearly all plans showed room for improvement in appropriate testing for pharyngitis, mental health utilization and identification of alcohol and other drug services. Many plans showed declining rates in three preventive measures from 2007 to 2009: childhood immunizations, well child visits for the first 15 months of life and adolescent well care visits. MRMIB will be working with an external quality review organization in 2011, and using the resulting findings to identify quality improvement projects that will begin in 2012.

The 2009 Dental Quality Report found significant differences between dental performance among EPOs and HMOs, with dental EPOs providing higher rates of dental services to HFP children. Two dental EPO plans had five or more dental performance rates for 2010 that were significantly higher than the 2009 HFP weighted average: Delta Dental and

Premier Access Dental. The four remaining dental health plans had performance measure rates that were significantly lower than the 2009 HFP weighted average. MRMIB has undertaken an oral health quality improvement project called Healthy Families Healthy Smiles to improve dental plan performance. The focus of this project will be to ensure that children ages 0 to 7 receive appropriate dental preventive services.

Some key findings during the 2008-09 time period were that overall enrollment increased during this time; the benefit year changed to begin in February 2009 due to state budget delays; premium increases for income categories B and C were implemented in February 2009; two open enrollment periods were held (November to December 2008 for the '08-'09 benefit year and April to May 2009 for the '09-'10 benefit year); Anthem/Blue Cross changed its product from EPO to HMO in three counties, requiring subscribers to select new plans; several large health plans removed at least two counties from coverage areas in the '09-'10 benefit year; the HFP wait list was implemented from July to September 2009, leading a subscriber rush to enroll; and a new limitation implemented in November 2009 that required newly enrolled members to select a lower cost dental plan for the first two years of membership. Prior to that, dental plan enrollment between EPOs and HMOs was about 50/50. Now about two-thirds of members are enrolled in dental HMOs and about one-third in dental EPOs.

Chairman Allenby asked if there were any questions or comments from the Board. Mr. Figueroa complimented staff on the work and expressed pleasure that the topic could be discussed in an open venue where people can talk about the quality of the program and how that may impact contracting going forward. Chairman Allenby said there was still much work to do on HMO dental plans.

Shelley Rouillard, Deputy Director for Benefits and Quality Monitoring, noted the disturbing trend of the decline in well child visits, immunizations and adolescent well care outlined in the report. These areas have always been on the low side, but they went doing further as noted. Data for 2010 will be received from the health plans in June and this will be one of the first areas that staff reviews. Later in the meeting the Board will hear about efforts to contract with an EQRO, which will help staff and the plans determine what constitutes a statewide quality improvement project for all-plan participation. The data presented in this report will help guide decision-making for that project and for what each plan will work toward improving.

Ms. Rouillard thanked Ms. Weiss for her diligent and thorough work on the project.

Chairman Allenby asked if there were any questions or comments from the audience. There were none.

The 2009 Plan Performance Profile Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.h\\_2009\\_HFP\\_Plan\\_Performance\\_Profile\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.h_2009_HFP_Plan_Performance_Profile_Report.pdf)

#### Update on the Advisory Committee on Quality

Ms. Rouillard reported the committee met April 28, with 12 members present in person and on the phone. After the Committee heard updates on quality projects currently underway, the primary discussion focused on the quality assessment improvement strategy required by CHIPRA. The committee focused on topics that should be

considered for a statewide quality improvement project in which all plans would participate. The committee did not have the 2009 Plan Performance Profile Report at the time, but considered general concepts. A major point was to use encounter and administrative data in quality improvement efforts as much as possible as opposed to medical chart reviews and other, more labor-intensive and costly activities. The committee discussed the validity, quality and accuracy of encounter data, with guidance from Rita Marowitz of Medi-Cal Managed Care, who advised construction of an HFP model that was not based on the Medi-Cal model, which was originally built on a fee-for-service environment. One plan representative noted that the only way to get quality data is through a pay-for-performance program where providers are incentivized to submit data. The group also discussed the importance of collecting and using race, ethnicity and language data to identify disparities and expressed concern that current HFP categories don't capture the range of ethnicities present in California. The group recommended that Healthy Families look at expanding those categories. The group further discussed immunizations, including the cost of the statewide registry, which many of the plans may not be using. Finally, the committee discussed the need to be more familiar with the concept of "meaningful use" and CMS's work in that area.

Following the meeting, staff received an outline of a measure selection framework that the National Committee on Quality Assurance uses as a guide for strategic discussions with stakeholder groups that should be considered when working with plans in such areas as scientific applicability, feasibility and usefulness of a quality improvement project. The committee's next meeting is in July.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

#### CHIP Reauthorization Implementation

- External Quality Review Organization (EQRO) Solicitation and Model Contract

Lilia Coleman, Manager in the Benefits and Quality Monitoring Division, reported on Agenda Item 10.j, the EQRO Solicitation and Model Contract. Section 403 of CHIPRA requires CHIP states to implement certain quality provisions, one of which is to have an external quality review of the timeliness of services, access to services and the quality of care received by HFP subscribers through the managed care health plans. The External Quality Review Organization, or EQRO, solicitation and contract are intended to fulfill this requirement. The EQRO's scope of work will include the following activities: validate performance measures, validate quality improvement projects, a compliance review, validate encounter data, conduct consumer satisfaction surveys, provide technical assistance regarding the requirements for external reviews, develop a health plan report card, coordinate an annual quality improvement conference, conduct focused quality studies and provide special consultative services as requested by MRMIB. The timeline for contracting with the EQRO is as follows: the solicitation will be available to prospective proposers on May 16, 2011. The proposer's conference will be held on June 6, 2011. The final date for solicitation response submission is June 17, 2011. The initial designation of the contractor will be on August 31, 2011, and the effective date of the contract is October 1, 2011. The contract ends on September 30, 2012, with two additional one-year options to renew.

Chairman Allenby asked if there were any questions or comments from the Board.

Hearing none, he asked if there were any questions or comments from the audience. There were none.

The Summary of the EQRO Solicitation can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_10.j\\_EQRO\\_Solicitation\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_10.j_EQRO_Solicitation_Summary.pdf)

### 2010 Federal Annual Report

Ms. Esajian reported on Agenda Item 10.k, the 2010 Federal Annual Report of the Child Health Insurance Program in California, which is the Healthy Families Program. It has been completed and will be certified and sent to the Centers for Medicare and Medicaid Services after Agency review and approval. This report offers a broad snapshot of HFP during the period of October 1, 2009, through September 30, 2010. It covers such areas as program changes, program performance, enrollment, status of the uninsured, strategic objectives and program goals, assessment of the state plan and its operations, program financing, and challenges and accomplishments. The reporting period begins shortly after the late 2009 wait list was lifted and includes such activities as premium and co-pay increases that were instituted through the budget process, the new two-year dental management care plan requirement, the use of California Vital Statistics to verify citizenship, mental health substance abuse parity and the beginning of oral and quality health improvement projects. The FAR will be uploaded to the MRMIB website as soon as it's certified.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The FAR can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/agenda\\_item\\_10.k\\_2010\\_FEDERAL\\_ANNUAL\\_REPORT\\_SUMMARY\\_LMR\\_input\\_4-29-11.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/agenda_item_10.k_2010_FEDERAL_ANNUAL_REPORT_SUMMARY_LMR_input_4-29-11.pdf)

### **ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE**

#### Enrollment Report

Ms. Soto-Taylor reported on Agenda Item 11.a, the AIM Enrollment Report. Both March and April data were provided to the Board, but only April data was presented. As of the end of April, there were 7,159 women enrolled in the program. There were no significant changes in ethnicity or enrollment distribution for the program.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Enrollment Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_11.a\\_AIM\\_Enrollment\\_Summary\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_11.a_AIM_Enrollment_Summary_Report.pdf)

#### Administrative Vendor Performance Report

Ms. Soto-Taylor reported on Agenda Item 11.b, the AIM Administrative Vendor Performance Report. The administrative vendor met the performance standards during the months of March and April 2011, as well as all quality and accuracy performance standards during the months of February and March 2011.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Administrative Vendor Performance Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_11.b\\_AIM\\_Admin\\_Vendor\\_Perf\\_Rpt.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_11.b_AIM_Admin_Vendor_Perf_Rpt.pdf)

### Financial Report

Mr. Lee presented Agenda Item 11.c, the AIM Financial Report. The beginning balance on July 1, 2010, was \$7.3 million. Revenues collected during the fiscal year were \$50.5 million. Actual expenditures through March 31, 2011, were \$36.6 million. Anticipated expenditures for the remainder of the fiscal year are \$14.6 million, leaving a balance of approximately \$6.5 million at the end of this fiscal year.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Financial Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_051211/Agenda\\_Item\\_11.c\\_AIM\\_Financial\\_Rpt.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_051211/Agenda_Item_11.c_AIM_Financial_Rpt.pdf)

Chairman Allenby asked if there was any further business to bring before the Board. Ms. Casillas said there was not. Chairman Allenby recessed the Public Session at 12:10 p.m. and reconvened the Executive Session. The Board adjourned at the end of the Executive Session.