

**Managed Risk Medical Insurance Board
HFP Advisory Panel Meeting
May 6, 2008
West Sacramento, California**

Members Present: Jack Campana, Martin Steigner, DDS, Steven Tremain, M.D., Tawnya Soden, Takashi Michael Wada, M.D., MPH, Elizabeth Stanley Salazar, Ronald Diluigi, Barbara Orozco-Valdivia, Ellen Beck, M.D., Karen Lauterbach

MRMIB Staff: Irma Michel, Janette Lopez, Shelley Rouillard, Susan Williams, Angelica Marron

Introduction

Jack Campana, Healthy Families Program (HFP) Advisory Panel Chair, opened the meeting by introducing himself and asking the Panel members, staff and the audience to introduce themselves.

Mr. Campana announced that there were two subscriber vacancies, and potentially a third vacancy. He stated that the announcements for these vacancies were going to be placed on the website. Mr. Campana also stated that mail outs were sent in early April to parents of children in California Children Services (CCS) in counties surrounding Sacramento. He also mentioned that MRMIB is working with Department of Mental Health to obtain a list of subscribers in order to assist in the recruitment of a subscriber with a special needs child. A question from the Panel was raised about if the subscriber needed to be enrolled for a certain amount of time before being eligible to sit on The Panel. Ms. Michel, Acting Deputy Director of the Eligibility, Enrollment and Marketing Division for the MRMIB, confirmed that the requirement for a person to sit on The Panel is that they have to have a child in the HFP.

Ms. Lopez, Chief Deputy Director for the MRMIB, stated that The Panel is actually looking for a parent with a special needs child to get a broad perspective of what our subscribers need. Ms. Lopez also stated that we try and find a balance with subscribers obtaining CCS services or by searching through the Medical Eligibility Database System (MEDS) to find someone to fill the vacancy.

Appointment of HFP Advisory Panel Member

Ms. Michel swore in Martin Steigner, DDS, a licensed practicing dentist.

An audience member wanted to acknowledge Mr. Steigner's appointment by mentioning that he is a dedicated man and an amazing advocate for children.

Review of Summary

The Panel made a motion to approve the January 1, 2008 Healthy Families Program (HFP) Advisory Panel Meeting Summary with the noted correction.

Mr. Campana made a comment on the discussion of the California budget shortfall on page 3. "He stated that the reason for the deficit for the California state budget is the slow down of the economy."

Budget Update

Ms. Michel stated that at the hearings held in Senate on April 7 and April 16, 2007, MRMIB testified on both hearings but no action was taken, and a revision will be presented by the Governor on May 14, 2007. Ms. Lopez stated that she testified in these hearings regarding premiums, co-pay, and health plans. Ms. Lopez reminded everyone what the Governor proposed; increase of premiums, increase of co-pays and a 10% budget cut.

The Panel asked if the premium increase was for sure. Ms. Lopez responded that the premium increase is in the Governor's proposal. Ms. Lopez also mentioned that there are many things in the proposal that require statutory authority by March 1st, which will make changes occur in July. Ms. Lopez assured the Panel that the reductions will not go into effect until 4.5 months after the final 08-09 budget is signed.

The Panel asked if open enrollment was delayed. Ms. Lopez responded by stating that the board decided to delay the open enrollment process until the budget is signed, opposed to having 2 open enrollments, 1 now and 1 later.

The Panel asked if there was a timeline for when the lawsuit will move forward. Ms. Lopez responded by clarifying that the lawsuit was filed against Medi-Cal, not HFP. Ms. Lopez also mentioned that the timing is not known other than what is written in the papers. Shelley Rouillard, MRMIB's Deputy Director of the Benefits, Quality and Monitoring Division, also wanted to clarify that the Governor proposed a 10% cut to Medi-Cal and a 5% cut to HFP.

Ms. Lopez stated that plans will stay with HFP, but there will be modifications made to some plans. She also mentioned that some plans will go out in some areas, but HFP will make sure to have a plan available in the area being dropped. Ms. Lopez also stated that in order for plans to stay with the HFP, it will have to change the provider network. She stated that the HFP is similar to the Medi-Cal program's network. Ms. Lopez wanted to clarify that cutting Medi-Cal will impact the HFP.

State Legislative Update

Ms. Michel reviewed the State Legislative Bills that MRMIB has been following.

Federal Budget, Legislation and Executive Branch Activity

US Senate Finance Subcommittee on Health Care Hearing: “Covering Uninsured Children: The impact of August 17th CHP Directive”

Ms. Lopez stated that the CMS lawsuit sat on their state fund amendment and denied it. The federal government said that it was not participating in the federal funding and basis of the denial was the August 17, 2007 letter. New York filed a lawsuit joined by Maryland, Illinois. Since lawsuit New York will go to 400% with or without federal funding. New Jersey filed there own lawsuit. California has not been harmed yet by this August 17 letter.

Ms. Lopez also said that during the April 9th Senate committee finance hearing Senator Rockefeller expressed his concern of creating a barrier to covering uninsured children.

Ms. Lopez stated that at the hearing, Dennis Smith, CMS Director, testified in regard to and signed the August 17, 2007, he then resigned two days later. Mr. Smith addressed the following: The State Children’s Health Insurance Program (SCHIP) is not designed to cover all children. 95% was standard but achievable. Nine states can meet the standard and one of these states is California. States have an option to expand their State Children’s Health Insurance Program (SCHIP) options they just have not found it.

An audience member stated that this may force some states to change rules depending on family situations. The State Children’s Health Insurance Program (SCHIP) reduced the number of uninsured children, crowd out is inevitable, concerned about the administration definition of “uninsured children” because it say’s you have to be uninsured for a whole year. MRMIB asks if children haven’t been uninsured at any time.

The audience expressed their concerns regarding the crowd out. Mr. Campana stated that this information is more than enough to override a veto and asked what the Panel can do to make the senate go along with the house. Ms. Lopez stated that she does not believe MRMIB was on board with that because they are concerned about a presidential veto again.

It was stated that the Senate hopes to get a veto and take provisions from that bill. The Panel asked if the provisions that are in the bill would satisfy California. Ms. Lopez stated that she cannot speak for the Board, and did not believe that these provisions work.

Update on Encounter Database Project

Ms. Rouillard stated that legal documentation needs to be in place with the plans before moving forward however, structure is being set up. She said regular phone conferences

have been in process and Maximus has been doing quality checks to develop frequently asked questions with plan. Benefits Division planed on testing the system this month and collecting monthly data from plans in September, but now that will be at the beginning of the year due to legal issues. The Panel asked how Benefits staff will be doing the testing. Ms. Rouillard stated that obtaining 2006 data from Department of Mental Health to have a better understanding of what it takes to serve the children.

The Audience asked if any data is obtained from CCS. Ms. Rouillard responded by mentioning that Benefits staff is working on getting actual CCS data on HFP children and then hoping to combine that data. The Panel asked if this development issue exists under mental illness. Ms. Rouillard responded by mentioning that some are considered mental health conditions and some are not, so another area will be developed for that.

Update on Phase II and III Mental Health/ Substance Abuse Evaluation

Ms. Rouillard stated that a contract has been terminated, however, discussions have begun with the runner up and By June 30, 2007, there will be a new contract in place. The Panel asked how many years were in that contract. Ms. Rouillard stated that the contract has been in place for about three months.

Reports of Interest

Ms. Michel gave a review of the Enrollment and Single Point of Entry (SPE) Report. She stated that no changes have been made and appeals forwarded to Medi-Cal are lower than what the HFP is receiving. Mr. Campana asked if MRMIB had looked at ethnicity to see if there is any data for mixed families, and wanted clarification of what happened in January. Ms. Lopez responded by reminding everyone of the southern California fires that kept children enrolled while crisis was going on and stated that misrepresentation of enrollment and disenrollment occurred in December of families affected by fires.

Ms. Michel gave a review of the Administrative Vendor Performance Report and stated that Maximus continues to meet all their requirements. Mr. Campana stated that problems have decreased in Maximus. The audience stated that there was a problem that Certified Application Assistants were having when they tried to speak for these families for updates at Maximus. Ms. Michel stated that a (implemented) brand new application was and caused some confusion, but the error was corrected and CAAs can now speak on behalf of families.

Ms. Michel reviewed the Enrollment Entities/ Certified Application Assistant Reimbursement Report and stated that to date MRMIB has paid over a million dollars. In the month of March 230 new CAAs came in compared to in February 145 CAAs.

Ms. Michel reviewed the 2006 Retention Report and stated that MRMIB has improved by being at 80% retention, which is best, compared to other states. There have been improvements because people are returning their documents and paying premiums. About 6% of families who are no longer in the HFP or don't think they qualify or have

moved without letting the Program know. Ms. Michel stated that this led to staff making many administration changes. Ms. Lopez stated that more families are predetermining themselves and think they may qualify now. Dr. Beck stated that the CAAs are doing a great job and asked if the Panel can conceive a roll for a CAA who keeps a list of who is signed up in the HFP in a year and at the end of the year see how many of those children are still enrolled. The Panel mentioned that in Los Angeles County the agencies maintain a list and there is a centralized database system, however, there is a huge barrier of families dropping off the radar: they move, numbers change, etc. The Panel stated that currently there is a way for the database system to let us know when people are coming up for renewal so they can be contacted beforehand. Ms. Lopez stated that MRMIB has a County specific report with the Annual Eligibility Reviews (AER) and with this it is possible to determine by county and by month of their retention.

Ms. Michel reviewed the Joint Medi-Cal and Healthy Families Mail-in Application and stated that there have been changes made to the new application, such as; The reading level has been reduced from a 10th grade to a 7th grade, applications contain a checklist of the documents needed, Opt-out has been removed, so that if they are not eligible for HFP their application will be forwarded to the County Welfare Department (CWD), this application also asks if there are any children in the household who are disabled, and a section was added containing frequently asked questions. An audience member asked if there has been any talk, during the development of the new application, about asking the question if their child was presently in CCS because there are often children who come to the health plan with an existing case. Ms. Michel stated that question used to be on the application when it was a 28 page application; however, this question was one of the questions that was eliminated in order to narrow the application down to four pages.

Ms. Rouillard reviewed the Report of Immunization Practices in the Healthy Families Program and stated that it was presented to Board on April 16, 2007. She acknowledges Jaime Yang, MRMIB staff member, who put together this report. The Panel made a recommendation that Blue shield and Anthem Blue Cross participate in proving their rates.

Ms. Rouillard reviewed the Regulations Clarifying Coverage of Lead Screening and stated that Lead screening was specifically identified as a preventative exam and is covered under the HFP. She also mentioned that advocates are working to increase awareness about the dangers of lead poison in hopes of strengthening California law.

Mr. Campana announced the next meeting would be on August 5, 2008 and the meeting was adjourned.