

Executive Committee
Healthcare Reform Commission
Meeting Minutes
2:30pm

Attendees: Lt. Governor Elizabeth Roberts, Health Insurance Commissioner Chris Koller, Director of Administration Richard Licht, Secretary of Health and Human Services Stephen Costantino, Governor's Policy Director Brian Daniels

- I. Call to Order: Lt. Governor Roberts called the meeting to order at 2:30pm. She welcomed the members and advised that we have two updates for the Committee today – one major update on Long Term Care, one on the Shop Exchange RFI
- II. Presentation by Elena Nicolella, State Medicaid Director, Updates on Long Term Care Initiatives [Available at: http://www.healthcare.ri.gov/documents/01_09_12%20Exec%20Comm%20Presentation.pdf].
Discussion points and questions raised were as follows:
 - a. Director Licht wished to note that it is important to understand that Medicaid is the only principal third party payer, but that people are paying themselves, so individuals are getting the services.
 - b. Is there a waiver for how many beds paid for those in assisted living now?
 - i. We used to have a waiver with slots, no longer have a cap – can pay for as many beds as we want, but the issue is that even with beds, it still doesn't provide enough coverage.
 - c. Director Nicolella noted Medicaid does not cover respite for adults in RI, which is something the state is looking at. Adult day care is actually a service that RI Medicare funds, for anyone who needs it, not just those eligible for long term care.
 - d. Commissioner Koller: Does the variation tend to move across regions? Are we similar to New England if not other parts of the country?
 - i. Yes, and we are primarily more generous than other parts of the country. The urban/rural issue is a big one – there is an anecdote that people move back to RI as they age and need long term care, but it also that their kids are here. RI, compared to the rest of the country, has a higher percentage in nursing homes.
 - e. Commissioner Koller: Didn't the commonwealth fund do a state-by-state review?
 - i. Director Nicolella: Yes, a scorecard was issued, but we have yet to review it.
 - f. Lt. Governor: Is that even on hospital discharge, does that include if a physician outside the hospital sees them?

- i. No, for hospital discharge that is taken care of. For Medicaid we are more involved in custodial care, not necessarily driven by a health event.
- g. Director Licht: What percentage is eligible for nursing homes?
 - i. Director Nicolella: Nursing home services are a state plan service, anyone who meets that state plan eligibility, can access nursing home services – more a clinical determination than a financially eligibility one. Medicaid does go up to 300% of SSI
- h. Have we taken advantage of the community first option?
 - i. No, we have not, we do provide personal care services through the 1115 global waiver, so they do need to meet a level of care, and fdo need to have some functional need. The reason we haven't taken advantage is two fold – first, the federal government still has to issue final rules, and second, there is a concern that it would be difficult to control access to this service.
 - ii. Lt. Governor: What is the concern over control?
 - iii. Director Nicolella: Through our functional level of care criteria, we assess folks, and the community first choice doesn't say a patient actually has to go through that assessment. Truly waiting for the federal guidance on this. No states have taken advantage of this yet.
- i. Director Licht: By conflict free you only mean a provider of that service ?
 - i. Director Nicolella: Someone can be in a medical home and they can make that decision, but can't refer oneself or be related.
- j. Commissioner Koller: How would any of these changes affect the elderly and the disabled population, changes to the DD program?
 - i. Director Nicolella: All of these provisions would apply to anyone eligible for Medicaid regardless of why they are eligible for Medicaid. The Community First Choice option, self directed care is an option in the DD system; with state wide single point of entry question is a good one, as we do have a separate door for people to enter the DD system.
- k. The six provisions covered here really reflect the federal government's efforts as they move towards community based systems.
- l. Lt. Governor: On Money follows the person – are these all services that traditionally qualify for Medicaid reimbursement, or if I need someone to assist with chores, is that eligible here?
 - i. Director Nicolella: Each state that applied for the grant could define the services and support that additional funding is wanted for. The funding is supposed to go towards new, non-traditional services.
 - ii. Lt. Governor: The state has been involved in the last two and half years at looking at standards of care, how does this fit with

that program (nursing home transition program) as implemented under the global waiver? Have incorporated it into Money Follows the Person. It goes in, works with the nursing home, and moves out.

1. Lt. Governor: Is there an expectation for the federal government for how many people need to take advantage?
 2. Director Nicolella: We estimated fifteen people per month transitioned out of nursing homes – that is the target.
- m. Director Licht: If someone goes from a hospital to a nursing home it is covered by Medicare within 100 days. So in 90 days, if that person is Medicaid eligible, is that a funded here?
- i. Director Nicolella: No. Would need to stay 90 days as Medicaid patient, not as a Medicare beneficiary. Is there any way built into this a way to help someone with their non-institutional living structure?
 - ii. Lt. Governor: How do we maintain what a patient already had in the program, while qualifying for the new program?
 1. Director Nicolella: Can pursue say first months rent, facilities deposit etc.– working closely with housing folks to see how can enhance money follows the person, unless CMS is explicitly going to cover room and board, there is only so far one can go with this. If people cannot afford to live in the community, they cannot afford to live in the nursing home. To date, CMS hasn't issued anything that will change that.
- n. Director Nicolella: We have transitioned eight people at this point under money follows the person. Will have more data as have more volume.
- o. Lt. Governor: Is there an expected decrease in another area of state funding by using MFP?
- i. Director Nicolella: Savings of about \$1million, but the point of Money Follows the Person is that supposed to reinvest the funds.
- p. Health Homes: If we can put together a program that integrates care, we will pay 90% for care coordination services. Those eligible to receive the services must have two or more chronic conditions. Of the two models in place, one is for mental illness, the other model is children with special needs.
- q. Commissioner Koller: How does RI envision health homes working - is that through the health plans?
- i. Director Nicolella: With some Medicaid managed care plans that would partner with mental health organizations. Prior to the health home model, community mental health

organizations did know when patients were admitted to the hospital.

- r. Commissioner Koller: Is there a role currently for the senior centers in this as well, how are they functioning if at all in that zone?
 - i. Director Nicolella: Will need to review with DEA.
 - ii. Lt. Governor: That would be good to follow up on as currently unclear as to where these all line up, as well as the 211 option.
- s. The PACE program is an example of one of these dual eligible initiatives, are there other models we have looked at? One model is a capitated model that CMS is excited about, Medicaid model. Another is the fee for service model, to ensure that the care is paid for, similar to the medical homes, CSI.
 - i. Lt. Governor: Is there any information from the federal government, from a fiscal side?
 - ii. Director Nicolella: Yes, they're reflecting that savings on the Medicare side.
 - iii. Director Licht: Who gets the savings?
 - iv. Director Nicolella: Concept is to share the savings. The integration at the funding level, as CMS and states come together, the intention is to let actuaries work together on this.
 - v. Lt. Governor: As populations tend to become challenging, seems like it's a place where there are opportunities for managed care, who has been successful in these areas.
- t. Secretary Costantino: Not sure many states have the "poster child" like models. Minnesota and MA have been working on blending programs like these.
- u. Director Nicolella: The ACA makes several changes to the Medicare program around reimbursement, and those potentially have a real impact on Medicaid costs. The state has not done the analysis as yet, but something to keep in mind. Some of the Medicare payment reforms will affect them – opportunities for costs to be shifted.
- v. Director Licht: Do we need to do anything on these soon – is it legislative, is there a need for it to be taken care of administratively?
- w. Director Nicolella: Will need to look into what if anything needs to be legislative vs. administrative.

III. Presentation on SHOP (Small business Health Options Program)
Exchange RFI – Dan Meuse, Office of the Lt. Governor

- a. There is increasing consensus around how the individual exchange works, and we are proceeding down the path to set it up. The SHOP side is a bit different; there are numerous models that haven't seemed to have a clear advantage over one another. Over the week between Christmas and New Years, there were discussions about talking to vendors for what they may suggest for a SHOP. Thus, we were advised by Division of Purchasing that the best way to do this would be to issue an RFI to ask vendors to provide to the state information on how a SHOP solution could incorporate the business side of the

SHOP with technology platforms, how does that solution integrate with individual exchange, and what are the benefits and different cost structures as a SHOP and contracting out to a different company. The responses to the RFI are due in a week, and we will bring results back.

b. Comments:

- i. Director Licht: Just learned last week that there are existing exchanges for Medicaid products, some very large – is that what we are talking about?
- ii. Dan Meuse: They might. That is precisely why we did this RFI process. We know of a whole host of organizations that run small exchanges and large exchanges – there are insurers who run portals for their brokers as well; then there are those like CBIA in Connecticut. Some employers do this as well – for example, the federal government runs its own type of exchange.
- iii. Lt. Governor: We will bring that input back to the many groups who are involved in the Exchange development.

IV. New Business- none at this time

V. Public Comment:

- a. Shawn Donahue, Blue Cross Blue Shield of RI – Process question, the document that was released on Dec. 30th includes a vision statement through the SHOP Exchange; was that cleared through any of the many groups? Also, it does seem to have some limiting factors?
 - i. Dan Meuse: The vision is the statement that we discussed in the context of the single project plans, staff and key leaders from those leading into the exchange. Included our vision for what the customer experience would be.
 - ii. Mr. Donahue: We have members who are working to participate in these meetings to ensure that this work remains a transparent process and I’m concerned.
 1. Dan Meuse: The discussion that we had in the presentation was the end-to-end conversation – it is clear in the RFI that is the vision of the interagency team as to what the vision will be. It is not, however “this is the exchange’s vision.” It was provided to give guidance to vendors as they think through what the responses may be to give information to the state.
 2. Angela Sherwin, OHIC: We anticipate delving into more discussion as we review the options for the process share that information.
 3. Shawn Donahue: This is the type of policy determination that we believed we should have input into.
 4. Director Licht: An RFI is totally different from an RFP, and believe have an interest and ABC do not work, respond, and indicate why either the vision is wrong, or

why there are limiting criteria – ultimately if we decide to go that route, will need an RFP, and then will reflect those comments. This is not something to walk away from.

5. Jennifer Wood: There is a bit of an issue of nomenclature here – the vision and mission work underway right now – no vision statement to be finalized before its time. The ideas that are “envisioned” for a customer experience for a SHOP component of a comprehensive exchange have been the subject of many conversations in work groups and the state staff work, but in no means are meant to be the vision for the exchange as discussed in the recent meetings.
 6. Lt. Governor: Don’t believe we’re yet ready to know how that SHOP exchange was going to work – that is why it is an RFI. This is an opportunity, please come back with the expertise and tell us what we need to think of. Need to put a frame on this, for as you well know, the “vision” is still in process in these public meetings.
 7. Shawn Donahue: If an RFI goes beyond the vision statement still flexible?
 8. Lt. Governor: Yes and a lot more flexible for an RFI than an RFP.
 9. Commissioner Koller: The vision for a customer experience for a SHOP exchange is quite different than the vision for the whole exchange which has been the work of the work groups.
- b. Kathryn Shanley – would like to just reiterate a concern that this RFI had not gone before the work groups. Appreciate the explanation, and will look forward to future decisions being run past stakeholders.

VI. Adjourn