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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
February 4, 2013

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**Board Members Present:** Bram Kleppner, Susan Barrett (phone), Christina Colombe (phone), Clifton Long, Donna Sutton Fay, Julie Tessler, Kay Van Woert, Larry Goetschius, Wendy Davis, Michael Sirotkin, Randy Cook, Trinkia Kerr, Joan Lavoie, Cathy Davis, Shannon Wilson, Lisa Maynes, Ellen Gershun, Susan Barrett, Sharon Henault (phone), Tim Ford, Julie Lineberger, Paul Bakeman, Madeleine Mongan and Dale Hackett.

**Board Members Absent:** Catherine Hamilton, Sheila Reed and Laura Pelosi.

**Other Interested Parties Present:** Rebecca Heinte, Michael Quinn, James Kokoslyno, Kaili Kuiper, Peter Reed, Betty Morse, Kevin Meilleur, Susan Gretkowski (phone), Julie McDaniel, Caroline Fisher, Johanna Keefe (phone), Nick Carter, Michele Blanchard, Gretchen Begnoche, Sonia Tagliento, Kelly Barnier and Kristen Bigelow-Talbert.

**Staff Present:** AHS: Stephanie Beck, DFR: Margot Thistle; DVHA: Mark Larson, Emily Yahr, Paul Hochanadel, Erick Carrera, Ashley Berliner, Stacey Baker and Clark Eaton.

**HANDOUTS**

- Agenda
- Medicaid & Exchange Advisory Board (MEAB) January 7 Meeting Minutes
- VT Statute 33 VSA 402. Medicaid and Exchange Advisory Committee
- DVHA Strategic Planning Around Budget Processes (SFY '14 - '16)
- Premium and Cost Sharing Assistance Proposals (DVHA slides)
- Premium Assistance Comparison
- Scenario Examples for Vt'ers Moving from Catamount and Traditional Ins. to the Exch.
- "Hold Harmless" Cost Sharing/Premium Assistance Table

**CONVENE**

Kay Van Woert and Bram Kleppner chaired the meeting.

**Welcome and Introductions**

**Board Business**

Following introductions, Bram Kleppner asked for adoption of the January 7, 2013 meeting minutes. The board reviewed the January minutes and voted to approve the minutes, with 20 yeas, 0 nays and 0 abstentions.

**Commissioner's Updates -- Mark Larson**

*Global Commitment Waiver Update:* The Department of Vermont Health Access (DVHA) Commissioner, Mark Larson, discussed the upcoming renewal request for DVHA's Global Commitment (GC) Waiver which gives us more flexibility in the way we can execute the state's Medicaid program. The current GC Waiver will run out in December 2013, and DVHA now plans to have a new proposal ready to be submitted for federal evaluation within a few months; it will be combined with a similar Choices for Care Waiver (for long term care services) that we also have approval for in the state. With the upcoming Affordable Care Act requirements, this is an ideal opportunity to merge and synchronize these waiver operations and submit for their extended approval on the same timeline in the future. There will be two upcoming public comment periods on this combined waiver application effort: 1) the March 11 MEAB meeting,

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and 2) a scheduled VT Public Television interactive event. The formal public notice should be forwarded to the MEAB in mid February.

Kay Van Woert suggested that DAIL be invited to discuss key aspects of the Choices for Care waiver program during the March board meeting, along with providing a SFY '14 budget update. Julie Tessler asked if DVHA could provide a brief summary, in lay terms, that describes the elements and intent of the new combined waiver application.

Mark noted that it will be most important to focus on savings when presenting the new combined waiver application, both from a standpoint of dollars that have been saved over the past eight years and from projected savings to be realized over the requested five year extension period.

*Dual Eligibles Project Update:* The Dual Eligibles demonstration project will not be part of DVHA's GC waiver application, but it will be aligned with it. DVHA has just begun the process of negotiating a Memorandum of Understanding (MOU) with CMS for a demonstration project that would allow the state to manage Medicare federal funding for beneficiaries (approximately 22,000 Vermonters) who have "dual Medicaid and Medicare eligibility." It may be up to three months before we have a negotiated draft document that will be ready to share with the board.

Mark addressed a number of questions/factors surrounding the Dual Eligibles project, including key IT components that will need attention, provider network adequacy, pharmacy integration and the continued need for coordination of benefits. These areas have been discussed within the ongoing Dual Eligibles stakeholder group. Although beneficiary participation in the project will be encouraged, it will ultimately remain optional and beneficiaries eligible for Medicare can opt out if they wish.

Various members expressed concerns about the Dual Eligible Project impact on a number of Vermont-specific Medicaid services and waiver programs (e.g. pharmacy, Choices for Care, Developmental Services [DS]). Mark acknowledged that the new blended options would need to be structured to avoid losing needed services both for those who are dual eligible and those who are Vermont Medicaid only. He said the state would learn how to better serve the non-Medicare DS populations from the Dual Project experience.

*Provider/Member Relations Issues Update:* Bill Clark, DVHA's Managed Care & Compliance Director, outlined and described the current initiatives that DVHA is undertaking to improve service, including: 1) developing and implementing mapping and member survey tools to better assess the adequacy of our provider network over the next few months, 2) better defining and implementing health care options for beneficiaries who need to be served out-of-state or out of Vermont's network, and 3) generally improving the quality of care for all of our approximately 174,000 covered members.

Kay Van Woert noted that a subgroup of the previous Medicaid Advisory Board had typically identified pertinent issues that needed attention, and worked through these issues with Bill Clark's unit. Past issues included non-standard sized diapers, out-of-state travel needs and other Medicaid transportation issues. Bill addressed how troublesome the diaper issue had become; DVHA is finalizing a special solution with a supplier for special sized diapers.

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If members have issues, they should first contact the Member Services call center using the phone number on their enrollment card. For issues that can't be resolved through Member Services, Bill should still be contacted. The Provider/Member Relations Unit will still use a tracking system to resolve special issues and develop procedures as soon as possible for these situations in the future. Board members and workgroups are encouraged to forward special issues to DVHA for evaluation and resolution. If an issue seems chronic or pervasive, the MEAB may refer it an ad hoc MEAB work group of interested members for more processing or development of a recommendation back to the full MEAB group.

*DVHA Budget Update:* Mark Larson noted that the DVHA SFY 2014 budget proposal is scheduled to be briefed to the Vermont legislature on February 7. Following this briefing, DVHA's budget proposal document will be posted on-line on DVHA's website. A hard copy of the budget proposal will also be mailed to board members.

*Exchange Financing Plan Update:* DVHA has submitted two financing plans in response to Vermont Act 48: 1) a financing plan for the Exchange in 2014, showing how it will become self-sustainable by calendar year 2015 and 2) a 2017 financing plan that deals with the implementation of Green Mountain Care as a publicly financed universal health system. The major elements of DVHA's SFY '14 budget proposal are actually in the 2014 financing plan.

The 2014 Exchange financing plan has three significant components: 1) the Exchange itself, mostly financed in SFY 2014 by federal dollars, except for the Navigator Program, which will incur a state cost of \$400,000, a projected state cost of approximately \$8 mil during the last six months of 2014, and a projected state cost of \$18 mil during 2015; 2) premium and cost sharing subsidies that create an affordability standard and will assist in transitioning participants from the VHAP and Catamount Health programs, and 3) an increase in funding for provider reimbursement, amounting to about \$25 mil as an increase in Medicaid reimbursement. This is about a 3% increase from 2012 actual spending. The intent is that this plus-up will be both an increased value and quality based investment with providers.

Mark reviewed handout slides covering both premium and cost sharing assistance proposals. Overall, the intent is to avoid substantial increases to as many individuals as possible while being more equitable to those at the top and bottom of the previous income brackets. Options will be available for eligible participants to pay a lower monthly premium or to elect to take a year-end tax credit. Out-of-pocket maximums and deductibles have also been addressed through cost sharing assistance.

**Exchange Updates – Devon Green, Emily Yahr, Paul Hochanadel**

*Exchange Affordability:* Devon Green, Health Care Policy Analyst, Administration, continued her January 7 discussion with the board concerning the affordability aspects of standing up the new Exchange. Devon provided a handout showing examples of different scenarios for Vermonters moving from Catamount Health and traditional health insurance to the Exchange. Board members liked the positive scenarios cited, but asked that one or more negative scenarios also be included for a more balanced representation. Devon also covered an ACA Affordability slide showing premiums as a percent of income.

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*Outreach & Education Update:* Emily Yahr, Manager, Outreach and Education, asked for help in spreading the word on Vermont's new Health Connect website, [www.vermonthhealthconnect.gov](http://www.vermonthhealthconnect.gov) that will be officially launched in mid-February. A press release will go out soon. There also will be an introductory webinar on February 20 (noon) on Vermont Health Connect and community outreach opportunities. The exchange's goal is to speak at about 100 public events in advance of and throughout the first open enrollment period. A future public event's flyer will be forwarded to all MEAB members electronically.

*Level 1B Grant:* Paul Hochanadel, Operations Director, noted that the Exchange has received a \$2.2 mil federal grant to fund the In-person Enrollment Assistance Program. This grant application was briefed to the board at the November meeting. The exchange will be actively recruiting for a Project Director surrounding small business and this enrollment activity; if any board members know of any potential candidates, please let Paul know.

**MEAB Work Plan and Discussion – Board Members**

Kay Van Woert reviewed the communication process that the board and DVHA will try to follow between meetings. Generally, follow up documents and information requested by members at a meeting will be forwarded to board members a few days after the meeting. Minutes will be completed the following week and sent to members for review with a request for additional agenda items for the next meeting if not captured in the minutes work plan. This will allow DVHA and Chairs adequate time for agenda preparation during the typical two week period preceding the next scheduled monthly meeting. We will attempt to get the agenda out a week ahead of time and supporting documents and presentations out 3 days ahead of the next meeting, though this may not always be possible due to last minute changes in schedules and issue priorities.

Kay summarized what was discussed at today's meeting and what members had stated will be needed for next meeting or ongoing group meetings. Members discussed the new administrative rules changes that are being developed/implemented to coincide with the introduction of the Exchange in January, 2014. A series of public stakeholder meetings are scheduled and occurring to review the revisions and developments of these administrative rules. Board members agreed that a high level summary of what is being done and progress to date needs to be prepared. Ideally, it could be provided in advance and board members could then ask questions at a subsequent meeting. Major agenda items for the March 11 meeting were discussed and are listed at the end of the minutes.

The March 11 meeting will be held at the Exchange's new Office site within the Vermont Student Assistance Corporation (VSAC) building in Winooski. Directions and parking information will be provided to everyone prior to the next meeting.

**Public Comment**

There was no public comment at this meeting.

**Draft Topics for March 11 Meeting:**

- DVHA SFY '14 Budget Proposal update
- DAIL Budget Briefing/Choices for Care Waiver

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- Global Commitment waiver renewal update
- Exchange prototype demonstration

**Draft Topics for April 1 Meeting:**

- Other AHS Department SFY '14 Budget Updates
- Dual Eligibles project update
- Insurance affordability (with CGI)
- Exchange blueprint submission update
- IT preparedness related to Health Care Reform update
- Blueprint for Health (Annual Report ICP, ACO)
- OHSU work/Guiding Principles – presentation and discussion

**Future Meeting Topics:**

- Chronic Care Initiative update
- Perverse incentives in eligibility, cost sharing, and benefit structures (fraud & abuse)
- Independent Living (e.g. DME, reinvestment in community based services)
- Working People with Disabilities Program report
- Integrated Family Services
- Trend & utilization data used in budget preparation
- Affordability and reinvestment pertaining to provider rates
- Minimizing administrative complexity for businesses that offer insurance
- How can businesses not offering insurance subsidize employees' health care costs?

**Topics to Monitor/MEAB Updates as Work Progresses:**

- Exchange development and outreach
- Habilitative services benefits in the Exchange
- Navigation for the Exchange

**Issue Tracker List:**

- Diapers
- Medicaid transportation
- The complaint process
- Out-of-State travel
- Specialist or preferred providers
- Mental Health fee schedule changes

**Information/Data Requested (when DVHA acquires/develops in the course of their work):**

- SFY '13 DVHA Budget and/or trend data as a frame of reference for the SFY'14 budget development process.
- Utilization cost breakdown by category for DVHA's SFY'13 Budget Adjustment
- A summary of issues concerning the Administrative Rules revisions
- Legislative report concerning the Working People with Disabilities Program
- Savings generated by the Exchange
- Costs of adding dental and vision benefits to the Exchange

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**Next Meeting**

**March 11, 2013**

**Time: 11:00AM – 3:00PM**

**Site: VSAC Bldg, Winooski, VT**

**Please visit the Advisory Board website for up-to-date information:**

**<http://dvha.vermont.gov/advisory-boards>**

**DRAFT**