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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
April 1, 2013

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**Board Members Present:** Bram Kleppner, Laura Pelosi, Sheila Reed (phone), Christina Colombe (phone), Clifton Long, Catherine Hamilton, Donna Sutton Fay, Kay Van Woert, Larry Goetschius, Wendy Davis, Trinkia Kerr, Joan Lavoie, Shannon Wilson, Lisa Maynes, Ellen Gershun, Sharon Henault (phone), Tim Ford, Julie Lineberger (phone), Paul Bakeman, Madeleine Mongan (phone), Gladys Mooney, Vaughn Collins, Julie Tessler (phone), Michael Sirotkin, Cathy Davis and Dale Hackett.

**Board Members Absent:** Randy Cook and Susan Barrett.

**Other Interested Parties Present:** Katina Cummings, George Richardson, Anthony Otis, Gretchen Begnoche, Betty Morse, Gennette Law, Michele Richards, Lucy Guerin, Nick Carter, Judy Sassovoss, Michele Blanchard, Sonia Tagliento, Kelly Barnier, Jackie Graham and Kristen Bigelow-Talbert.

**Staff Present:** AHS: Stephanie Beck, Les Birnbaum; DVHA: Mark Larson, Lindsey Tucker, Emily Yahr, Paul Hochanadel, Sean Sheehan, Erick Carrera, Stacey Baker and Clark Eaton.

**HANDOUTS**

- Agenda
- Medicaid & Exchange Advisory Board (MEAB) March 11 Meeting Minutes
- Blueprint Overview/Annual Report slides (for 2012)\*
- Navigator Program/Outreach and Education slides (4/1/13)\*
- Summary of Proposed Small Employer Coverage Rules (4/1/13)
- Press Release: Carriers Submit Proposed Rates for Plans to be made Available through Vermont Health Connect (4/1/13)

\*presented at meeting, sent out after the meeting

**CONVENE**

Bram Kleppner and Kay Van Woert chaired the meeting.

**Welcome and Introductions**

**Board Business**

Kay Van Woert asked for adoption of the March 11, 2013 meeting minutes. Donna Sutton Fay submitted one correction to be made concerning eligible participants for a “safe harbor” recertification period under Vermont’s new programs. The board voted to approve the March minutes, with 20 yeas, 0 nays and 0 abstentions.

**Blue Print Overview and Annual Report – Craig Jones, Director, Blueprint for Health**

Craig Jones, Director, Blueprint for Health, Department of Vermont Health Access (DVHA), provided a short overview of DVHA’s Blueprint Program, which was implemented from a Chronic Care model in 2005, took on a Community Health Team structure in 2008, and has today evolved into a comprehensive health delivery system reform platform, including care for the chronically ill. Craig described how the Blueprint for Health is using an advanced model of primary care statewide. This program includes nationally recognized Patient Centered Medical Homes (PCMHs) supported by Community Health Teams (CHTs), and a health information

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technology infrastructure that supports guideline-based care, population reporting, and health information exchange.

Larry Goetschius asked how the Blueprint program would interface with the proposed Dual Eligibles program in the future. Craig indicated the Blueprint provides an excellent starting framework and that some of the necessary integration work has already taken place. The programs would be able to show and break out shared cost savings. Sharon Henault stressed the need for the Blueprint team to have ongoing input and participation with advocates for the disabled and independent living populations within Vermont. This should be addressed in the near future.

Craig went on to describe the most recent results and evaluation data, including: 1) the growth of PCMHs and CHTs, and patients served since 2008, 2) the increased number of primary care practices recognized or engaged in the Blueprint as of December, 2012, and 3) medical practice study group comparisons showing various five year trends between Commercially insured and Medicaid populations. Trend comparisons looked at differences in expenditures, hospitalization rates, diabetes care, breast cancer screening and cervical cancer screening. All results are outlined in the most recent Vermont Blueprint for Health 2012 Annual Report (dated 2/15/13) which is available for viewing on-line at: <http://hcr.vermont.gov/blueprint> . Board members can also request a copy of the 2012 Annual report through DVHA.

Kay Van Woert asked if there were many other variables that could contribute to the trends measured, making it hard to know the impact of Blueprint versus other actions or conditions. Craig agreed that was the case.

Lisa Maynes indicated the importance of having a consumer presence on the Community Health Teams across the state. Some of the teams do have a significant presence, but others need to integrate consumer involvement on their teams.

**DVHA Updates – Mark Larson, Commissioner**

*Dual Eligibles Project Update:* Mark Larson, DVHA Commissioner, noted that DVHA is in 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.” DVHA is now proposing to CMS that the implementation date be postponed to September, 2014. This should provide for better synchronization with the integration of a new eligibility system that will be important to the operation of the Duals program.

*DVHA Budget:* The House has enacted its SFY 2014 budget and this proposal has moved forward to the Senate. The House has included DVHA’s increased reimbursement recommendation and has only slightly adjusted DVHA’s premium assistance and cost sharing subsidy plans.

*Global Commitment Update:* DVHA is in the process of requesting an extension to its Global Commitment (GC) to Health Section 1115(a) Demonstration Waiver for the period 1/1/2014-12/31/2018. This was discussed in depth at the March 11 MEAB meeting. The public comment

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period has ended and DVHA will be responding to comments and submitting its final proposal to CMS in April, 2013.

*SIM Update:* DVHA has recently been awarded a four year, \$45 million State Innovation Model (SIM) grant that will be focused on payment and delivery system reform. The Department is now seeking legislative approval for the state to accept the grant. The SIM grant will require a more substantial briefing at a later meeting. Initially, work will be focused on different payment models including, pay-for-performance, bundled payments, and shared savings models. Work will be consistent with ongoing efforts with the Duals project and Integrated Family Services.

Catherine Hamilton asked about work progress concerning exchange sustainability and IT contingency planning. Mark noted that DVHA has submitted a proposal to the legislature on how the exchange will be self-sustainable after 2014; this should be acted on very soon. IT planning is being worked task by task with CMS, until a complete sign-off is achieved.

Mark Larson discussed (and later distributed) a press release (4/1/13) announcing Vermont as the first state in the nation to release proposed rates for its federally mandated Health Benefits Exchange, Vermont Health Connect. The proposed rates were filed with the Department of Financial regulation (DFR) by Blue Cross Blue Shield of Vermont (BCBSVT) and MVP Healthcare (MVP) and are subject to review by both DFR and the Green Mountain Care Board (GMCB). The filed rates are comparable to current rates. Tim Ford was encouraged by the proposed rates, but pointed out that the plans themselves are different. Trinka Kerr indicated that there will be opportunities for consumers to comment on these proposed rates; they are articulated in the press release. Trinka also welcomed consumers to call the Ombudsman's office with any specific questions.

**Exchange Updates – Sean Sheehan, Lindsey Tucker, Erick Carrera**

*Navigator Program Update:* Sean Sheehan, Director, Outreach and Education, summarized plans for the exchange's Navigator Program. Navigators will be trained and certified Vermonters who can provide free and in-person enrollment assistance for selecting health care options. DVHA will not oversee navigators directly, but will be working through organizations/associations statewide that are already well connected to communities and populations that need to be reached. Assister organizations are now being asked to identify their capacity to bring on navigators and work through the grant application/funding process to make the overall program work effectively. Navigators will also play a key role in outreach and education; nationally, the majority of the population does not understand how health reform law will impact them. Navigator organizations will be tiered at three different grant levels: 1) Tier 1, up to \$40,000, 2) Tier 2, \$40,001-\$100,000, with a larger geographic area & audience reach, and 3) Tier 3, up to \$200,000, with a statewide reach and coordinating capability with other partners. Sean also covered the key sections of a Navigator Organization Grant Application as well as Navigator Organization Budget Considerations. Grant activity should be ramping up over the next few weeks.

*Outreach & Education Update:* DVHA is asking for continued help in spreading the word on the new Health Benefit Exchange, the Navigator Program and Vermont's health care reform in general. Sean reviewed the list of nine spring Community Forums scheduled throughout the state.

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The list will grow over the summer and can be viewed on the Vermont Health Connect website, [www.vermonthealthconnect.gov](http://www.vermonthealthconnect.gov).

*Small Business Options:* Lindsey Tucker, DVHA Deputy Commissioner, opened some general discussion on the implications for small business employers (with implementation of the exchange) who might elect to either keep or drop coverage for employees. The topic will need a longer discussion either in May or June. Dropping coverage certainly changes the overall employee benefit package, and unfortunately, the IRS has decided it won't offer pre-tax assistance while it is offering a tax subsidy for participants. Employers could potentially consider additional non-wage benefits to offset any net loss for employees acquiring insurance benefits. Bram Kleppner discussed the preliminary evaluations and cost estimates that have been done for his company (keeping or dropping company coverage), but there are still some IRS clarifications needed for Vermont as the state moves toward a single payer system over the next three years. Catherine Hamilton noted that many small businesses are now looking hard at the pros and cons of dropping company coverage and positioning themselves to make an informed decision.

*Administrative Rules Review:* Erick Carrera, DVHA Exchange Policy Analyst, provided a brief update on the administrative rules process for small employer coverage. Erick reviewed the five most important parts to understanding small employer coverage: 1) Eligibility (50 or under employees, VT companies), 2) Counting employees (differences over the next three years), 3) Enrollment (employer and employee steps; differences for 2014 vs. 2015 and beyond), 4) Coverages (overview), and 5) Terminations (differences, depending on who initiates).

Les Birnbaum, Economic Services Division, discussed the overall new draft rule that will be pre-filed with the Interagency Committee on Administrative Rules (ICAR) on April 2. The new draft is formatted differently and should be easier to understand and work with. There will still be opportunities and sessions scheduled in the next few weeks to walk through the new rule to answer any questions prior to the formal public comment period. The new rule needs to be ready for implementation no later than October 1, 2013. Les stressed that the application and enrollment process should be simpler and more streamlined. Laura Pelosi asked if there would be any changes in the long term care (LTC) application process; there should not be any notable changes for LTC application data.

**Public Comment**

There was no public comment at this meeting.

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

Kay Van Woert asked board members to review the discussion topics listed in the March 11 minutes, consider topics that came up today, and make any additional suggestions on what should be covered at the May 6 meeting. Topics for consideration are listed below. Considering the large scope of the new Administrative Rule (a 350+ page document), a Table of Contents for the new rule will be sent out two weeks ahead of the May 6 meeting. The board can then weigh in on what specific new rule topics might be covered at the May or June meetings.

DVHA will also look into adding external speakers to the call-in phone system; callers to the meeting are having difficulty hearing questions and answers from certain areas of the meeting

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room. Whenever possible, handouts for presentations will be provided three days ahead of the meeting, as well as having them available on the day of the presentation.

**Draft Topics for May 6 Meeting:**

- Administrative Rule Update (specific areas of interest to be determined)
- “Back Office” processes of the Exchange – enrollment & billing; phone capability/capacity
- Exchange delivery milestones and timeline
- Discussion of possible MEAB approaches to working on “Issue Tracker” items and issues related to Independent Living and Disability (e.g. Working People with Disabilities Program)
- Perverse Incentives

**Possible Topics for June 3 Meeting:**

- Chronic Care Initiative update
- Integrated Family Services
- State Innovation Model (SIM) Grant

**Future Meeting Topics:**

- OHSU work/Guiding Principles – presentation and discussion
- Reinvestment in community based services)
- Affordability and reinvestment pertaining to provider rates
- Minimizing administrative complexity for businesses that offer insurance

**Issue Tracker List:**

- Diapers
- Medicaid transportation
- The complaint process
- Out-of-State travel
- Specialist or preferred providers
- Mental Health fee schedule changes
- Prior Authorization concerns
- Coordination of Benefits between Medicare and Medicaid
- Habilitative services benefits in the Exchange

**Information/Data Requested**

- Utilization cost breakdown by category for DVHA’s SFY’13 Budget Adjustment

**Ongoing Small Group Work**

- EPSDT
- Establish Small Business Work Group

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**Next Meeting  
May 6, 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>**

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