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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
July 25, 2016

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Page 1

**Board Members Present:** Trinka Kerr, Donna Sutton Fay, Bram Kleppner, Julie Tessler, Amy Vaughan, Sharon Henault, Rebecca Heintz, Laura Pelosi (phone), Kay Van Woert (phone), Paul Bakeman, Joan Lavoie, Vaughn Collins (phone), Christina Colombe (phone), Nate Waite, Dale Hackett (phone), Lisa Maynes, Gladys Konstantin and Michelle Fay (phone).

**Board Members Absent:** Erin McIntyre, Madeleine Mongan, Jackie Majoros, Sharon Winn and Clifton Long.

**Other Interested Parties Present:** Kelly Barnier, Susan Gretkowski (phone), Jessa Barnard (VMS), Sherry Greifzu (ACHHH) and Betty Morse.

**Staff Present:** Department of Vermont Health Access (DVHA): Deputy Commissioner Aaron French, Deputy Commissioner Lori Collins, General Counsel Howard Pallotta, Marybeth Bizarri and Clark Eaton. AHS Policy: Ashley Berliner.

**HANDOUTS**

- Agenda
- Medicaid & Exchange Advisory Board (MEAB) June 27, 2016 Meeting Minutes
- Dental Related AHS Health Care Administrative Rules (July, 2016)
- SFY 2016 Financial Status Report (July 25, 2016)
- MEAB Presentation Regarding SFY 2016 Legislative and Reporting Requirements (July 25, 2016)
- Health Care Advocate Office Quarterly Report (April-June, 2016)
- Vermont Health Connect May 2016 Dashboard

\*all are posted to the VHC website

**CONVENE**

Donna Sutton Fay and Bram Kleppner chaired the meeting.

**Welcome/Introductions/Approval of Minutes/Continuation of Current Co-Chair**

Board members and meeting attendees introduced themselves around the room. Board members approved the meeting minutes for June 27, 2016. There were 17 yeas, 0 nays and 0 abstentions. The board also discussed and voted on the continuation of Donna Sutton Fay as a Co-Chair for the next two years. Donna's continued service as Co-Chair was approved unanimously by the board.

**Discussion Item: Health Care Administrative Rules Input – Ashley Berliner**

Ashley Berliner, AHS Health Care Policy Director, reviewed handouts concerning four rules (dental topic areas) of Medicaid Health Care Administrative Rules (HCAR) and requested any Board input.

- A. Dental Services for Beneficiaries under 21, and Pregnant and Postpartum Women (Rule 7312)
- B. Dental Services for Beneficiaries Age 21 and older (Rule 7313)
- C. Medical Surgical Services of a Dentist (Rule 7311)
- D. Orthodontics (Rule 7314)

The Agency, across Departments, is striving to consolidate and unify rules, and ensure that they are written to: 1) better reflect the beneficiary's perspective, 2) use consistent language, and 3)

---

**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
July 25, 2016

---

Page 2

have improved readability. An example of a change consideration for the dental rules includes removing the requirement that fluoride treatments need to be applied in a dental office. Also, there will be clarification/codifying on patient billing policy for services that exceed the adult annual cap per calendar year. About 15 months ago, DVHA (after consulting with CMS) changed the way it allowed dental providers to bill adults for Medicaid covered services after the annual cap is exceeded. Previously, providers billed “usual and customary” rates for those covered services that exceeded the cap, but now bill the Medicaid rate if it is a Medicaid covered service. Vaughn Collins reiterated the VT State Dental Society’s position that 1) the annual cap for adults is too low, 2) overall dental reimbursement is too low, and 3) that the current allowed billing once the cap is exceeded puts both dentists and patients at a disadvantage.

For all upcoming rule proposals/reviews, Donna Sutton Fay suggested that it would still be helpful to have a sense of what DVHA & the Policy Unit are thinking about doing (direction/possible changes). Maybe a summary paragraph could be provided on what the Policy Unit is considering; this would lead to a fuller, more efficient discussion before taking steps to finalize/codify the administrative rules being discussed.

Ashley went on to summarize other dental topics/considerations, including further expanding children’s fluoride treatment within community settings, removing redundancies and clarifying the medical and surgical services of a dentist, and discussion of the timeline for training/integrating the new dental therapist position into Vermont.

**Discussion Item: Report on DVHA Actual Spending for State Fiscal Year (SFY) 2016 – Carrie Hathaway**

Carrie Hathaway, DVHA Financial Director, provided an overview of DVHA’s SFY 2016 spending. DVHA manages five appropriations that include; 1) Administration, 2) Global Commitment, 3) Long-Term Care, 4) State Only, and 5) Non-Waiver Medicaid. Funds within the appropriations include: 1) General Fund, 2) Federal Fund, 3) Interdepartmental Transfers, 4) Global Commitment (GC), and 5) Special Fund. The total SFY ’16 appropriation available (following carryforward, excess receipts, and GC transfer) was \$ 1,268,653,753. Carrie provided detail on spending within each of the five appropriations. There was a surplus of about \$11.9 mil in GC expenditures; the main reason for the surplus was related to the increased drug rebate collections beyond budget expectations. Also, State Only expenditures ended the SFY with a balance of more than \$7.2 mil; again, drug rebate receipts were higher than expected.

**Discussion Item: Presentation Regarding SFY 2016 Legislative and Reporting Requirements -- Howard Pallotta**

Howard Pallotta, DVHA General Counsel, presented statute changes/reporting requirements that came out of the 2016 legislative session that impact DVHA. Howard selected key areas to highlight and cover.

A. Law Changes

1. E 100.1 DCF Eligibility Positions Transferred to DVHA  
These are positions that determine eligibility for Medicaid/Vermont Health Connect.
2. H.873 Ambulance Tax (Sec. 32)

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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
July 25, 2016

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For 2017/18, using home health agency formula.

3. H.761 Catalogue and Assign Health Care Performance Measurements  
The Green Mountain Care Board shall develop a plan to align performance measures across programs that impact primary care. The Board shall submit the plan to the Senate Committee on Health and Welfare and to the House Committee on Health Care on or before January 15, 2017.
4. H.873 Home Health Assess Working Group (Sec.33)  
DVHA shall convene a working group to determine whether the home health agency amended assessment represents the most appropriate and equitable model for the assessment. Results/recommendations will be due on or before 12/15/2016.
5. S.214 Large Group Insurance  
Employers with up to and at 100 employees will go through the exchange.
6. S.216 Drug Dispensing Fees (Sec. 4)  
DVHA shall use the same dispensing fee in its reimbursement formula for 340B prescription drugs as the Department use to pay for non-340B prescription drugs under the Medicaid program.
7. S.243 Pharmaceutical Manufacturing Fees (Sec. 12)  
Creates an annual fee that shall be paid to the Agency of Human Services
8. Utilization Review of Mental Health Services  
Utilization review criteria to be used when there are denials for mental health or substance abuse services.

**B. New DVHA Reporting to the Legislature**

1. Drug Utilization Review Board (DURB) Report on Prescription Patterns  
The DURB will prepare a report on how providers are following the FDA recommendations for mental health treatment in regards to prescription dosage recommendations.
2. Ambulance Reimbursement/Primary Care Performance Alignment Plan  
Report on how rate increase(s) would be applied and how primary care performance measures would be aligned.
3. Primary Care Reimbursement Non-Emergency Transportation  
DVHA has a bid out for this service; legislature has asked for a report.
4. Medical Supplemental plans for Dual Eligible  
The Legislature wants DVHA to explore if and how it could work for DVHA and the state, if Global Commitment funds were used to purchase Medical Supplemental plans for Dual eligibles.

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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
July 25, 2016

---

Page 4

5. **Pharmaceutical Cost Transparency**  
The Legislature and Attorney General want a list of which manufacturers are not paying the newly designated 1.5 % fee increase.
6. **340B Drug Reimbursement Report**  
A report was requested on the 340B dispensing fees.
7. **Bronze QHP Cost Sharing Increase Report**  
A working group will be convened to work through this issue and report to the GMCB and state legislature.
8. **Bronze QHP Enrollment Trends Report**  
The legislature wants to get a report on the impact of out-of-pocket costs and the effect on Bronze QHP enrollment.
9. **Acupuncture Pilot Report**  
The legislature authorized DVHA to implement a pilot project for acupuncture treatment and is requesting a formal report on the project.
10. **Medicaid Pathways Report**  
The report will look at (among other things) progress on standardizing payments and quality measures across different Departments within the Agency of Human Services.

**Legal Review of 45 CFR Part 92 and Application to Medicaid Services – Howard Pallotta**

Howard Pallotta discussed the broad implications of reviewing the Medicaid law pertaining to non-discrimination (age, race, gender, national origin, etc.). Medicaid will continue to review and consider all aspects and concerns regarding non-discrimination.

**Health Care Advocate Quarterly Report – Trinka Kerr**

Trinka Kerr, Chief Health Care Advocate, provided a summary of the April – June, 2016 Office of the Health Care Advocate (HCA) Quarterly Report. Total hotline call volume decreased 26% from the previous quarter. Complex problems are decreasing significantly. Call volume related to VHC change of circumstance problems also decreased by 39% from the previous quarter. Only 26 calls were received related to Medicaid reviews, which is surprising considering the large number of reviews conducted each month. Calls about problems with VHC billing and premium processing decreased by 43% from last quarter, but were still the second most common reason Vermonters called the HCA. Trinka encouraged members to review the entire report for more detail on the full range of HCA activities.

**MEAB Discussion Items – Board Members/DVHA**

Donna Sutton Fay requested that Vermont Health Connect attend the August MEAB meeting and provide its quarterly update. Julie Tessler also suggested that the MEAB be integrated/briefed on the upcoming budget development process which will be starting very soon.

**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
July 25, 2016

Page 5

**Public Comment Opportunity – Co-Chairs**

There was no public comment during the meeting.

**Adjournment**

The meeting was adjourned at 12:00PM.

**Topics for Regular Update:**

- Vermont Health Connect Quarterly Update
- Commissioner Updates (Current Topics Discussion)
- GC Waiver (as Necessary)
- Quarterly Advocate Report (Legal Aid)

**Draft Topics for August 22 Meeting:**

- Vermont Health Connect Quarterly Update
- Initial Budget Development Process/Considerations

**Future Meeting Topics:**

- Health Care Reform - All Payer Model
- Medicaid Transportation – current and future budget
- Reinvestment in Community Based Services
- Affordability and reinvestment pertaining to provider rates
- Minimizing administrative complexity for businesses that offer insurance

**Data Request(s) for Future Meeting:**

Termination Data from Carriers

Total Medicaid Budget – what portion is entitlement/what is not?

**Issue Tracker List:**

- Inventory of Perverse Incentives
- Out-of-State travel
- Specialist or preferred providers
- Mental Health fee schedule changes
- Prior Authorization concerns
- Coordination of Benefits between Medicare and Medicaid

**Ongoing Small Group Works**

- EPSDT Work Group
- Improving Access Work Group

**Next Meeting**

**August 22, 2016**

**Time: 10:00AM - 12:00PM**

**Site: DVHA, State Office Complex, Waterbury, VT**

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

[http://info.healthconnect.vermont.gov/advisory\\_board/meeting\\_materials](http://info.healthconnect.vermont.gov/advisory_board/meeting_materials)