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**Medicaid & Exchange Advisory Board**  
**Meeting Minutes**  
February 26, 2018

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**Board Members Present:** Kay Van Woert, Joan Lavoie, Gladys Konstantin, Dale Hackett (phone), Lisa Maynes (phone), Georgia Maheras, Rebecca Heintz (phone), Lisa Draper, Michelle Fay (phone), Julie Tessler, Jessa Barnard, Amy Vaughan (phone), Paul Bakeman, Nate Waite, Erin Maguire, Drew Kervick, and Mike Fisher.

**Board Members Absent:** Sharon Winn, Vaughn Collins, Devon Green, Laura Pelosi, Kirsten Murphy and Sharon Henault.

**Other Interested Parties Present:** Susan Aranoff (Vermont Developmental Disabilities Council), Lucie Garand (Downs Rachlin Martin, phone), Brendan Hogan (Optum, phone), Susan Gretkowski (MVP, phone), Sarah Peterson (Maximus)

**Staff Present:** Department of Vermont Health Access (DVHA): Commissioner Cory Gustafson, Deputy Commissioner Michael Costa, Etiane George (phone), Ashley Berliner and Molly Waldstein

**HANDOUTS**

- Agenda
- January meeting minutes (handout)

\*all are posted to the VHC website

**CONVENE**

Mike Fisher and Julie Tessler chaired the meeting.

**Welcome/Introductions/Approval of Minutes**

Board members and meeting attendees introduced themselves around the room. A quorum was present. Three newly-appointed MEAB members were present for the first time—Erin Maguire, Drew Kervick and Lisa Draper introduced themselves to the group.

Erin Maguire described several key points about her background, including:

- Currently a director of student support services for the Essex-Westford School district.
- Previously, executive director of Chittenden Supervisory Union
- Formerly the President of the Vermont Council of Special Education Administrators and currently serves as the policy and legislative chair for the national organization.
- Has overseen work on EPSDT, as well as Medicaid reimbursement for the school district.
- Regularly interfaces with DAIL and designated agencies.
- Experienced working with individuals with disabilities who are struggling to access systems

Drew Kervick described several key points about his background, including:

- Works for the law firm Dunkiel Saunders
- Experienced in business law, and does a lot of work for affordable housing clients
- Co-chairs the Vermont Bar Association's health law section

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- Member of Vermont Businesses for Social Responsibility (VBSR), and represents small businesses in his capacity as MEAB member

Lisa Draper described several key points about her background, including:

- Used to be involved with community action
- Is a consumer with three grown boys
- Interacts with the health care system as a consumer
- Wants to learn more about health care rules and regulations

Kirsten Murphy's appointment to the MEAB was also announced, although she was not able to be present. There was a last-minute agenda change due to a cancellation, and the schedule was adjusted accordingly. January meeting minutes were accepted with one correction. The vote was unanimous, with four abstentions.

**Global Commitment Waiver Update—Ashley Berliner**

Ashley Berliner, Director of Healthcare Policy, reviewed recent updates to the 1115 Global Commitment Waiver. The discussion included:

- Updates will be submitted to CMS by April 1.
- As of December 2017, over 212,000 Vermonters were covered by Vermont Health Connect programs, including QHPs and Medicaid.
- 2017 was the first year of the Vermont Women's Health Initiative, which is aimed at reducing Vermont's rate of unintended pregnancies. It has grown from 15 to 20 women's health clinics and from 13 to 15 patient-centered medical homes.
- Enrollment in hub and spoke health homes for opiate addiction continues to grow. Enrollment, as of end of December, was 5,850.
- The AHS Performance Accountability Committee created an investment scorecard template for all departments to communicate performance around our 1115 investment funding in order to facilitate tracking. Commissioner Gustafson directed members to DVHA's budget book for a list of investments.
- At the end of 2017, AHS submitted its comprehensive quality strategy and state transition plan to CMS, which includes detail about the home community-based service implementation, which is publicly available.
- Choices for Care has launched its first training model for case management providers.
- Developmental Services has completed two revisions to its major documentation: Developmental Disabilities Services Regulation and the Vermont State System of Care Plan—both effective as of October 1, 2017.
- Strategic alliance work with VCCI and the Blueprint for Health has begun, including discussions to expand the population served.
- Discussions continue on the subject of Medicaid payment reform—specifically, how to apply behavior analysis services for people with autism, as well as adult and children's mental health.

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- A member asked if there is documentation available for each of the initiatives mentioned. Ashley explained that this is just a summary of major developments, but that the details for each item will be included with the department's annual report to CMS, which will be available in early April.
- A member asked about the recent GCR waiver announcement regarding the Institute for Mental Disease bed number. Ashley indicated that the waiver has been applied for, and that DVHA is actively in negotiations with CMS to secure it.
- A member requested an update on negotiations with CMS. Ashley explained that they have successfully completed the initial completeness review and are working on their budget neutrality agreement. They continue to negotiate with CMS regarding the implementation plan. Vermont is in the unique position of having already implemented many of the requirements, and Ashley is optimistic about the likelihood of the waiver's approval.
- Ashley clarified that the waiver opportunity is specific to substance use disorders and would impact substance use disorder residential treatment facilities such as Brattleboro Retreat, Valley Vista, and others. This waiver would not impact residential treatment facilities specializing in mental health primary diagnoses. She also noted that DVHA still has 1115 investment authority to pay for the Vermont Psychiatric Care Hospital until 2021, although this program is currently in a phase-down period.
- Funding streams for residential treatment programs and other facilities are currently being addressed at the AHS level.

**Budget Introduction—Cory Gustafson**

Cory Gustafson, DVHA Commissioner, introduced the SFY19 budget discussion. The SFY19 budget recommendation can be found online at: <http://dvha.vermont.gov/budget-legislative/1sfy-2019-budget-book-final.pdf>. The conversation included:

- Changes to the Program Integrity Unit. The Commissioner announced that the unit's manager, Leanne Miles, is moving on to work for CMS. She's done excellent work in Vermont's Program Integrity unit—which monitors compliance with state and federal regulations. Program Integrity consists of the following units: Provider Audit and Compliance, Beneficiary Fraud, Oversight and Monitoring, Healthcare Quality Control, MMIS Compliance, Legal Fiscal Compliance, Medicaid Compliance, among others.
- Other departments within AHS also have oversight to certain aspects of Medicaid. This is important to bear in mind as the group discusses the DVHA SFY19 budget.
- The Commissioner suggested two categories for thinking about DVHA's Medicaid activities: program and administration. "Program" represents the goods and services provided to beneficiaries. "Administration" represents the functions required to facilitate those goods and services.
- Three DVHA priorities are listed on page 5 of the budget book: 1) adoption of value-based payments; 2) management of information technology projects; 3) improvements to operational performance.

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- DVHA's SFY18 accomplishments are listed beginning on page 6 of the budget book, illustrating the correlation between achievement and administrative cost.
- The Commissioner pointed out enhancements to the reimbursement system to help achieve desired objectives, with particular emphasis on durable medical equipment (DME).
- A member asked a question about public policy influences on the federal level. The Commissioner observed that, while we are aware that some federal government positions are being left unoccupied, CMS does not appear to be run as lean as other agencies.
- Michael Costa also pointed out some of the stringent examinations that state Medicaid agencies had been subjected to under the Obama administration, and that CMS under the current administration does not appear to behave very differently.
- The Commissioner gave a description of value-based payments for the benefit of the new MEAB members. Members requested more information about value-based payments and the ACO for the reference of new members, and DVHA staff agreed that this information would be included in the upcoming orientation program to on-board new MEAB members.
- There was some discussion about enrollment, eligibility redeterminations and budget forecasting. Due to an improved understanding of enrollment numbers, the programmatic budget needs for DVHA have been reduced year over year. This reduction in programmatic cost is not expected to reflect any reduction in treatments or services for beneficiaries.
- The budget for administrative functions within DVHA is also down from last year, which primarily reflects adjustments to the budgeting of technology programs. Programmatic and administrative spend is broken down on page 136 of the DVHA budget book: <http://dvha.vermont.gov/budget-legislative/1sfy-2019-budget-book-final.pdf>
- Design, development and implementation projects (also on page 136) are conducted for several reasons: 1) federal government requirements; 2) software end-of-life; 3) aged or functionally inadequate systems. A member clarified that the figures shown reflect total dollar figures (not just state dollars) and this was confirmed.
- The Commissioner spoke to the DVHA budget increase that has occurred since 2007, pointing out that the department absorbed over 100 people in the Health Access Eligibility and Enrollment unit, which had previously been budgeted under the Department of Children and Families. Additionally, increases in technology contracts and required maintenance have also impacted the overall budget increase over the last 12 years. The current philosophy of methodical assessment of technology upgrade needs is expected to improve results over time.

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Michael Costa, DVHA Deputy Commissioner, went into greater detail about the DVHA SFY19 budget recommendation. The discussion included:

- The rescission process with the SFY18 budget.
- There is a consensus process for determining an enrollment and utilization forecast. However, there are consistent budget adjustments to align forecast to actuals.
- In past years, eligibility was broad and eligibility redeterminations were not frequent. This resulted in inflated enrollment and utilization. Redeterminations occurred in 2016 and resulted in the right-sizing of the Medicaid population.
- A member expressed concerns about this process. The Deputy Commissioner discussed some of the double-counting errors that have contributed to the issue, which have now been corrected. He also described some attempts to align hospital payments with Medicare that proved ultimately untenable and had to be rolled back.
- Primary care case management fee is not currently attributed to patient outcomes and has been reduced. However, other reimbursement rates, which are associated with patient outcomes and the ACO, have been increased—resulting in an overall increased investment in primary care.
- The lawsuit with DHMC regarding equity in reimbursement rates has been settled. This represents a budget increase, while also mitigating significant risk to the State. According to the terms of the settlement, DHMC and UVMMC will be reimbursed at the same rates moving forward.
- Some costs associated with High Tech Nursing have been transferred from the DVHA budget to the DAIL budget.
- A member recommended that DVHA bring assumptions about programmatic caseload and utilization to the MEAB earlier in the budget-setting process.
- DME and lab fee schedules were also readjusted to align with federal requirements and resulted in savings for DVHA.
- The Coordination of Benefits and Program Integrity units have made strides in ensuring that DVHA money is spent appropriately.
- Increases in clawback funding are federally mandated.
- State-only funding for cost-sharing reduction (CSR) programs is recommended for elimination. A member asked how many people that would impact. Exact figures were not immediately available, but Commissioner Gustafson pointed out that the reflective silver plan proposal is expected to increase federal financial assistance for many of these people through advanced premium tax credits. The public conversation around plan selection and financial assistance is likely to change as a result.
- Disproportional share rates to hospitals are impacted by uncertainty on the federal level.
- DVHA continues to strive to align programs to maximize efficiencies.
- A member of the public asked a question about public funds becoming allocated to OneCare, which is a for-profit organization. Unfortunately, there was not enough time for adequate response, but the item has been noted for future discussion.

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The full DVHA budget book can be viewed at:

<http://dvha.vermont.gov/budget-legislative/1sfy-2019-budget-book-final.pdf>

**Public Comment**

There was no public comment.

**Adjournment**

Prior to adjournment, there was some discussion among members regarding the MEAB Operations Manual and the need for agreement on the group's process. It is not clear which version of the MEAB Operations Manual is currently in practice, and it is necessary that this be clarified. Other concerns with the MEAB's operations were also discussed, including lack of visibility to the Miscellaneous Medicaid/DVHA bills, and the timing of meetings relative to the legislative session. There was some debate involving the manner in which these issues should be resolved. The conversation is expected to continue in the group's next meeting.

Some suggestions for future agenda topics include: OneCare's quality measures and budgets from other AHS departments.

Following this discussion, the meeting was adjourned at 12:14 PM.

**Topics for Regular Update:**

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

**Future Meeting Topics:**

- VHC Website upgrade
- MEAB Operations Manual

**Next Meeting**

**March 26, 2018**

**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)