
Medicaid & Exchange Advisory Board
Meeting Minutes
May 22, 2017

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Board Members Present: Donna Sutton Fay, Bram Kleppner, Dale Hackett (phone), Kay Van Woert, Amy Vaughan, Lisa Maynes, Jessa Barnard, Joan Lavoie, Paul Bakeman, Julie Tessler, Rebecca Heintz, Nate Waite Sharon Winn (phone), and Mike Fisher (Healthcare Advocate).

Board Members Absent: Lila Richardson, Vaughn Collins, Erin McIntyre, Laura Pelosi, Clifton Long, Christina Colombe, Michelle Fay, Sharon Henault, Sherry Griefzu, and Gladys Konstantin.

Other Interested Parties Present: Susan Gretkowski (MVP, phone), Brendan Hogan (Optum) and Sean Londergan (State Long Term Care Ombudsman, phone)

Staff Present: Department of Vermont Health Access (DVHA): Commissioner Cory Gustafson, Deputy Commissioner Lori Collins, Mary Beth Bizzari and Molly Waldstein; Vermont Department of Health (VDH): Betty Morse.

HANDOUTS

- Agenda
- Legislative session review (presentation)
- FY18 budget overview (presentation)
- Global Commitment Register update (handout)
- MEAB 3-27-17 Draft Minutes
- ACA changes impact (presentation)
- Open enrollment timeline update (presentation)
- Evolution of MEAB (presentation)

*all are posted to the VHC website

CONVENE

Donna Sutton Fay and Bram Kleppner chaired the meeting.

Welcome/Introductions/Approval of Minutes

Board members and meeting attendees introduced themselves around the room. A quorum of 12 members was present. March and April meeting minutes were both approved with changes.

Legislative Session Review—Ashley Berliner

Ashley Berliner, Director of Healthcare Policy, reviewed updates on the current legislative session. Updates include:

Bills enacted:

- H.507 - An act relating to Next Generation Medicaid ACO pilot project reporting requirements

Bills passed by House and Senate:

- S.4 - An act relating to publicly accessible meetings of an accountable care organization's governing body
- S.50 - An act relating to insurance coverage for telemedicine services delivered in or outside a health care facility
- S.133 - An act relating to examining mental health care and care coordination
- H.518 - FY2018 Appropriations Bill

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- Appropriation for DA/SSA employee wages; Recommendations from DMH and DAIL on FY2019 budgeting for DAs/SSAs
- Medicaid payment alignment – Support access to primary care; Authorizes DVHA to make adjustments to Disproportionate Share Hospital (DSH) amount
- Extend emergency rulemaking authority for Health Benefits Eligibility & Enrollment rules (Extend to June 2018)
- Timeline for Drug Utilization & Review Board review of Medicaid's Preferred Drugs List (Extend review of PDL from every 12 to 24 months). Ad hoc review of new drugs will not be impacted by this change.
- Continue to delay implementation of MAGI-like methodology for individuals enrolling in VPharm and Healthy Vermonters (Delayed until December 2018)
- H.516 - An act relating to miscellaneous tax changes

A question was raised regarding an anticipated \$5 million in management savings in state government, and what impacts that may have on AHS, contractors and grantees. It would be helpful to have that point clarified.

There was some discussion regarding the raising of provider rates to \$14 per hour, and the impacts that is likely to have on the availability of care.

MEAB Co-Chair Election—Bram Kleppner, Donna Sutton Fay

An election of two succeeding co-chairs had been warned at the previous meeting by current co-chairs, Bram Kleppner and Donna Sutton Fay. Co-chair Donna Sutton Fay is stepping down from the MEAB as of the May meeting, and so a special election is needed to fill her position for the remainder of her term, which runs through July 2018. Bram Kleppner's term as co-chair ends in July 2017. The election of the two succeeding co-chairs was held concurrently.

Following discussions with Commissioner Gustafson, the co-chairs submitted an alternate proposal regarding the election of co-chairs. Due to the number of vacant positions within the Board, and the intention of filling those vacancies, the appointment of interim co-chairs was proposed. The interim co-chair positions shall extend no later than January 2018, after which time formal elections for permanent co-chairs shall be held.

Mike Fisher and Julie Tessler both put forth their names as candidates, and no other members came forward. A motion to waive standard procedures was moved by Joan Lavoie and seconded by Paul Bakeman. This motion provides for the appointment of Mike Fisher as interim co-chair starting June 2017, and Julie Tessler as interim co-chair starting in August 2017. Both interim co-chairs are to serve until permanent co-chair elections which will be held no later than January 2018. The motion was unanimously approved with no abstentions.

ACA Changes Impact—Mary Kate Mohlman, Adaline Strumolo, Georgia Maheras

Mary Kate Mohlman, Director of Health Care Reform, Adaline Strumolo, Health Care Director, and Georgia Maheras, Deputy Director of Healthcare Reform summarized the impacts of the House-passed American Healthcare Act. This congressional bill, intended to repeal and replace the Affordable Care Act passed the House of Representatives in May 2017 and is expected to be

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under review by the Senate, provided it adheres to the rules of the reconciliation process. The Senate is expected to draft their own version of the bill, and Congressional Budget Office scoring of the bill is expected to become available shortly.

The current bill would repeal individual and employer mandates, create Patient and State Stability Fund, allow additional funds in Health Savings Accounts, reverse ACA financing provisions, eliminate funding for planning and reproductive health services, and delay implementation of the “Cadillac Tax”. The AHCA primarily targets the Medicaid expansion group, which is approximately 56,000 people in Vermont, as well as the subsidized individual insurance group, which is approximately 22,000 in Vermont. The AHCA will do this primarily through impacts to the tax credit structure. Under the ACA, subsidies are determined on the basis of income, whereas under the AHCA, subsidies will be determined in the basis of age.

The proposed AHCA also has impacts on Medicaid eligibility and enrollment criteria, and encourages more frequent redetermination. It limits enhanced FMAP for expansion group to states that expanded prior to 3/1/17, and sunsets enhanced FMAP rate on 1/1/20 except for individuals continuously enrolled after 12/31/19. It converts the majority of Medicaid spending to per capita funding starting in 2020, using 2016 as a baseline year, which is not advantageous for Vermont due to the timing of recent Medicaid redeterminations. The expected financial impact of this change is still being evaluated.

FY18 Budget Overview—Carrie Hathaway

Carrie Hathaway, Financial Director, reviewed the State of Vermont’s FY18 budget. The budget is not yet final, pending the June legislative veto session.

- DVHA’s SFY ‘17 appropriation is \$1,224,947,848 gross / \$481,514,946 state
- This is comprised of:
 - \$189,714,049 gross administration / \$50,153,654 state
 - \$1,035,233,799 gross program / \$431,361,293 state
 - The Governor’s Recommended budget adjusts the begin appropriation by:
 - (\$273,938) gross administration / (\$5,446,792) state
 - \$333,210 gross administration / (\$5,143,218) state per conf. committee
 - (\$11,916,670) gross program / (\$3,679,111) state
 - \$1,098,050 gross program / \$2,370,394 state per conf. committee
 - DVHA’s Governor’s budget is \$1,212,757,242 gross / \$466,275,926 state
 - \$1,226,379,108 gross / \$478,742,122 state per conf. committee

Discussion took place concerning areas that may be identified for budget cuts before the final budget is resolved in June.

Open Enrollment Update—Sean Sheehan

Sean Sheehan, Director of Outreach & Education, outlined the 2018 Open Enrollment plan. The federal exchange is shortening Open Enrollment for 2018. Vermont is following the federal schedule. Open Enrollment 2018 will run from November 1-December 15, 2017. This has the benefit of encouraging members to avoid gaps in coverage, as well as the challenge of risking

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missing Open Enrollment. DVHA and its partners will work together to promote the new dates. Outreach planning efforts include consideration of automatic renewals, new sign-ups, timing of enrollments and the effect of past outreach efforts. During Open Enrollment 2017, 861 individuals signed up who were new to the VHC system, and another 1,600 existing members changed plans. Of these, most waited until the second half of Open Enrollment to sign up or make changes.

There was some discussion regarding small group enrollment and the revised Open Enrollment dates. There was also discussion about the resources needed to fulfill the Open Enrollment outreach plan. It was pointed out that the bulk of the outreach would be conducted towards renewing customers, and could therefore be accomplished through direct communication media.

Public Comment

There was no public comment.

Evolution of MEAB—Molly Waldstein

Molly Waldstein, Outreach & Education Coordinator, introduced herself to the group, outlining her background, education and professional experience. Commissioner Gustafson outlined her role as DVHA point person to the MEAB, as means of dedicating new resources and energy to the Board. The subject of a six month re-focusing period was discussed by the group, in order to develop a useful and interactive format for future discussions. In addition, this period would be used to recruit new members to fill out current Board vacancies.

Following the presentation, the floor was open for discussion. The issue of structural issues within the MEAB was raised, and the subject of the federal statutory framework for the advisory board was discussed. One member commented that, while the MEAB receives frequent updates from DVHA, it has not recently had the opportunity to offer policy advice in advance of final decisions. Another member pointed out that the MEAB is often concerned with the lack of funding available for various initiatives, but that it might be more productive to focus instead on ways to allocate the funds available. The subject of developing an annual calendar of presentation topics was raised. Another member observed that there are two different audiences that need to be satisfied: 1) MEAB members to receive information that is of use to them in providing advice and 2) DVHA who is the recipient of that advice. The challenge is to provide a format that will be useful for both. Another member pointed out that, in the past, the MAB had been focused exclusively on Medicaid policy, and that some momentum seems to have been lost during the transition to MEAB. It was also observed by this member that the board appears to have lessened its focus on the consumer perspective. The subject of conducting a MEAB team building exercise was raised. Members discussed whether, prior to a team-building exercise, further exploration of group purpose and objectives would be needed. It was also suggested that a team building exercise could incorporate an effort to further define the group. It was suggested that a revision of the MEAB Operations Manual would be helpful to formalizing the group's process and direction. A member observed that the effort to recruit new board members should most properly take place after the board had been through efforts to further define its purpose and objectives. Both MEAB members and DVHA staff expressed that a calendar of upcoming presentation topics would be

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helpful. It was suggested that a Google poll to determine member's expected attendance for July and August meetings would also be helpful.

Adjournment

Prior to adjournment, departing co-chair Donna Sutton Fay was recognized and thanked for her service. The meeting was adjourned at 12:20 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:

- **Legislative Update Following the June Veto Session**
- **Advisory Board Statute Review**
- **Implication of Federal Budget Cuts**

Next Meeting

June 26, 2017

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