



## Connecticut Medicaid Managed Care Council

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### Quarterly Report: 4<sup>th</sup> Quarter 2009

*This report of the Medicaid Managed Care Council is submitted to the General Assembly as required under CGS 17b-28. This report is for the time period of **October through December 2009**. The Medicaid Managed Care Council is a collaborative body established by the General Assembly in 1994 to advise the Department of Social Services (DSS) on the development and implementation of Connecticut's Medicaid Managed Care Program (HUSKY A), in 1998, the State Children's Health Insurance Program (CHIP), which is HUSKY B and in 2006 the managed care portion of the State General Assistance (SAGA) program (17b-28b). The law also charges the Council with monitoring and advising DSS on matters including, but not limited to, program planning and implementation, eligibility standards, benefits, health care access and quality measures. The Council consists of legislators, consumers, advocates, health care providers, representatives of managed care plans and state agencies. The Council now has four working subcommittees: **Consumer Access, Quality Assurance, Primary Care Case Management (HUSKY Primary Care) and Women's Health Subcommittees.***

The Council met monthly in the 4th Quarter of 2009. Two Subcommittees (Consumer Access, PCCM) meet every other month and the remaining two meet monthly. The meetings focused on program administration, policy changes, utilization data, HUSKY & Charter Oak Health Plan (COHP) enrollment and three special reports: the Easy Breathing Program, 2007 Medicaid/HUSKY birth data and Community Health Centers Association of CT service expansion.

#### **Council Subcommittee Reports**

- *Consumer Access SC* meets every other month and met in Oct. & Dec. 2009; topics addressed by SC included:
  - CTVoices 2008 report that shows that while CT has been effective in outreach to new enrollees, retention of members at time of renewal remains problematic. The FQHCs have been awarded CHIPRA targeted outreach and retention grant; the federal reports will identify effective strategies for outreach and retention. 2007-2008 data from state-based outreach grants was not compiled/reported.
  - DSS will be tracking application/renewals through the 3 Regional Processing Units, a DSS 'streamlined' approach to HUSKY enrollment/renewals.
  - Legal immigrant coverage & disenrollment 12-1-09, impact on HUSKY parents.
  - CHIPRA (effective Feb. 2009): HUSKY Medicaid eligibles enrollment with 90 day reasonable Opportunity Period for providing citizenship documentation prior to federal SS# match that has not been implemented.
  - Suggested report on HUSKY out-of-network services provided versus authorized: SC

review and recommendation to the Council in 2010.

- *Primary Care Case Management SC* meets every other month, met Nov. 2009 to review HUSKY Primary Care (HPC) status that included:
  - HPC provider data reports, roll out of HPC in Greater New Haven & Hartford areas and PCP net works.
  - DSS plans to contract with Mercer to do HPC evaluation. General SC agreement that the evaluation needs to be done later than July 1, 2010 to provide more meaningful information. DSS was asked to review the evaluation process with the SC.
  - Other issues included a report on HPC expenditures in last biennial budget period and identify what is available for FY 2010-2011, elimination of FOI PCP contract provision, process to inform potential members about this fourth option and review of other states' PCCM initiatives, some of which include organization of a primary care administrative.
  - Suggested a HPC budget outline be created to identify program development resources.
  
- *Quality Assurance SC met Oct & Dec 2009* and focused on:
  - Distribution of Chlamydia advisory by SC & DPH and potential DPH foundation social marketing opportunities.
  - Quantify HUSKY "timely access to services" through standard customer satisfaction survey (MCOs) and DSS Mystery Shopper Survey.
  - Access to after hours telephone advice that allows patients to talk directly to medical professionals for urgent health calls, a potential ED visit diversion.
  - Follow up Council issue: SAGA hospital data share with CHNCT *will begin Nov. 2009*.
  - Inclusion of SBHC data in HUSKY utilization: identify if Aetna and AmeriChoice include these claims since SBHC are not PCPs and DSS will review HEDIS criteria.
  - Work group reviewing the HUSKY "report card" template with Tina Cheatwood (GWU).
  
- *Women's Health SC:* met Oct & Dec. 2009 with a focus on:
  - Identifying validated perinatal depression screens and suggested screening intervals.
  - Recommendations to inform medical providers about and integration of existing behavioral health and HUSKY co-management system for perinatal depression assessment, referral and intervention.
  - Family Planning Waiver CT status.
  - Transportation assistance exceptions for families with child in critical care settings.

## **Program Administration**

### ***Charter Oak Health Plan (COHP)***

*Nov. 2009: year 1 COHP data* was presented by each of the three health plans that included member demographics, service use, top diagnoses and newly enrolled COHP member vignettes. Key points included:

- ACS verifies the applicant has been uninsured for 6 months (crowd out period) or meets the exception criteria.
- Across the 3 plans members aged 40 years plus represent the majority of members; on average younger adults ages 19-26 represent less than 20% of plan membership.
- The top diagnoses include serious illnesses such as cancer and chronic health conditions. The MCOs offer members case management, disease management services as well as member

outreach for preventive services. AmeriChoice documented increased primary care visits after successful member outreach contact.

- MCO reported a significantly higher percentage of completed welcome/health risk calls compared to the HUSKY Medicaid population.
- CHNCT reported that ~69% of new members used services (pharmacy, medical and behavioral health services) within 60 days of enrollment.

### ***HUSKY Primary Care (Primary Care Case Management/HUSKY A)***

- Enrollment: increased from 211 to 237 members **as of 12/1/09**.
- Expansion to the Greater Hartford & New Haven areas (towns contiguous to these 2 cities): member enrollment **effective January 1, 2010**.
- (**Dec. 09**): HPC PCP network: total PCP count in New Haven area 177, Hartford area- 25; additional contracts are pending in both areas.
- HPC utilization data from individual practices will be analyzed quarterly however claims lag creates timely reporting barriers since Medicaid timely filing is 365 days. DSS will contract with Mercer for the program evaluation.
- Rep. Nardello noted that HPC can 1) provide the Legislature with comparative data on MCO/HPC model efficacy/cost effectiveness and 2) provide State leverage in contract negotiations.
- Sen. Harp observed that the HPC model seems to require PCP practices to act like managed care organizations and encouraged DSS to consider providing administrative support through an Administrative Service Organization entity.

### ***Medicaid Policy***

(**Oct, 09**) DSS had previously been asked to consider a *COHP policy change* that would allow a member that has exceeded their annual \$100,000 cap to tap into their lifetime \$1M cap. After review of this request DSS stated:

- A change in benefit design would increase member premiums beyond average affordability and the State's subsidized portion beyond what was budgeted; therefore changes will not be made.
- Members at risk of exceeding their annual cap are notified by ACS and MCO case managers work with the member to identify other coverage resources such as SAGA, Medicaid spend down, uncompensated care, etc as necessary.
- (**Dec. 2009**) DSS reported that to date 2 COHP members have exceeded their annual cap, 10 members had \$60-85,000 medical expenditures before the end of their CY and 63 have reached the \$7500 pharmacy cap prior to the end of the CY.

### ***Biennial budget***

(**Nov. 09**) DSS reviewed the biennial budget Humans Service implementer provisions that apply to HUSKY, COPH, Medicaid (FFS) managed care with anticipated implementation dates. Discussion related to budget items included:

- *HUSKY MCO capitation 6% rate reduction*: negotiations are in progress with MCOs for contract Jan. 1- Dec. 31, 2010, based on DSS Division of Fiscal Analysis review. Quarterly MCO financial reports have show 'reasonable' MCO administrative ratios while the profit/loss margin data show only one plan with a modest profit margin and two with losses. DSS stated rate changes must consider any negative impact on service provision and that MCO participation in HUSKY is important to achieve savings through adequate provider networks, member

connection to services and member support services. Advocates expressed concern that about DSS objectivity in financial negotiations given the above. **Status: negotiations in progress.**

- **(Dec. 09) Managed Medicaid (FFS):** CMS informed DSS that a waiver is needed to place dual eligibles (Medicare & Medicaid) in a mandatory managed care system. To meet a portion of the budgeted reduction, DSS will create a non-risk based care management program (CMP) for ~25,000 single adult eligibles in the Medicaid Aged Blind, Disabled (ABD) program. The three MCOs will have the opportunity to respond to the RFQ released by DSS. This system management change will be done through a Medicaid State Plan amendment. Behavioral health services for this population will be separately managed by DSS, with DMHAS taking the lead on delivery of Behavioral health services and coordination of these services with medical services. **Anticipated implementation of CMP is July 1, 2010.**
- **Waivers- status:**
  - SAGA 1115 waiver design would be based on the work done on the CMP; DSS stated a waiver would not be needed if proposed Congressional health reform legislation is passed, which allows states to cover single adults in Medicaid up to 133% FPL.
  - Other waivers (Family Planning & HIV waivers) have been rewritten; pending **CMS approval implementation is expected July 1, 2010.** The Governor's 11/24/09 mitigation reduction plan delays HIV waiver implementation.
- **(Nov/Dec 09)** Legislators questioned the cost effectiveness analysis of the *State-funded CT Home Care program* client 15% cost share increase since the additional \$375/month will be unaffordable for many clients, resulting in nursing home care, a non-community-based service that is significantly more costly to the State. DSS will confer with Legislators regarding an appropriate forum to discuss this further.
- **(Nov/Dec 09) Legal non-citizen coverage** was changed in the implementer when the CHIPRA federal legislation allowed states to cover legal immigrant pregnant women and children under Medicaid/CHIP, thus providing CT with a federal match that was previously unavailable when the program was solely state-funded. Adults enrolled in the State Medical Assistance for Non-citizens (SMANC) program were disenrolled Dec. 1, 2009. Of the 4,632 adults that lost coverage, 4,200 were reported to be parent/adults of children in the HUSKY A program. These adults had 60 days from the date of the notice to appeal the termination decision. Hartford Legal Aid requested a Court judgment on this policy change and on 12/22/09 Superior Court Judge granted permanent injunctive relief to the plaintiffs on the basis that the termination and barring entitlements to SAGA –Medicaid benefits violated these legal residents' rights to equal protection. DSS, through the Attorney General's office has appealed the Court decision. *(Note-Jan. 8, 2010 the Court denied this appeal and mandated CT reinstate the SMANC adults).*
- **(Nov 09) Medicaid medical necessity definition is changed the SAGA definition.** The legislation included a 'Medical Inefficiency Committee' appointed by executive and legislative leadership to provide oversight and recommendations about this policy change. This committee, under Human Services Committee met for the first time on Dec. 10, 2009.
- **(Oct 09) Pharmacy prior authorization (PA) on high cost items:** in compliance with budget implementer DSS initial focus effective 10/1/09 for PA is on Actiq and Synagis. Medicaid pharmacy carve-out covers only retail drugs. MCOs are responsible for PA decisions for non-retail drugs (i.e. those administered in medical offices, hospitals or home infusion programs).

(Dec. 09) DSS was asked to review program reductions affecting Medicaid, COHP, SAGA made under gubernatorial authority (does not require legislation).

- *Charter Oak Health Plan premium rebase is effective beginning Jan. 1, 2010 with phase in 1/1/10, 7/1/10 & 1/1/11.* (Details of the premium changes were outlined at the Jan. 2010 Council meeting). Recommended cap on COHP enrollment requires legislation; **this has not been acted on.**
- *SAGA vision/non-emergency transportation elimination will be effective Feb. 1, 2010.* DSS will continue to provide transportation for critical services (i.e. dialysis, chemotherapy, etc).
- *Suspend supplemental payments to FQHCs/hospitals for related prenatal care costs for undocumented pregnant women:* Clinics submitted grant claims for 800 women totaling \$600,000 in FY 09. No payments had been release as of July 1, 2009; **funding is suspended for FY 2010.**
- *Restrict funding for FQHC enhancements:* DSS stated FY 09 dollars will paid in full for \$4.5M for infrastructure improvement, \$1M for out-stationed DSS eligibility staff and \$3.6M set aside grants. **Funding decrease \$2M in FY 10.**
- *Healthy Start funding reduction 25%:* requires legislation- **not acted upon.**

#### Other Policy Changes

- (Dec 09) Children's Health Insurance Program Reauthorization Act 2009 (CHIPRA) requires CT HUSKY B (CHIP program) citizenship documentation rather than self attestation. On Jan. 1, 2010 states can match eligibles (Medicaid & CHIP) with the federal social Security data base. A match failure would require documents. Under CHIPRA Medicaid/CHIP eligibles can be enrolled in the health coverage program while either the match is done or the individual submits documents within 90 reasonable opportunity period.
  - CT is testing the match with HUSKY B eligibles; **effective Jan. 2010 HUSKY B** eligibles will be enrolled with the 90 day pending documentation ROP.
  - CT is testing the SS match for HUSKY A. While CHIPRA allowed states to enroll Medicaid eligibles prior to receipt of citizenship documentation, CT has not yet implemented this federal change; plans to do this when the SS match is in place.

#### Utilization

##### HUSKY Dental Utilization: CT Dental Health Partnership (Oct & Dec 09)

Dr. Donna Balaski (DSS) discussed the improvements in **1**) dental practitioner participation (total 1012) that represents a YTD growth of 32%, **2**) the prenatal dental quality improvement project connects pregnant women to oral health care during perinatal period to reduce the potential adverse effects of oral bacteria on birth outcomes and early childhood carries, **3**) the CTDHP received triple their call volume after dental EPSDT notices were sent to HUSKY families and **4**) overview of utilization trends: pediatric dental services percentages increased from 23.9% in 2006 to 28.5% in 2008, and adult utilization increased from 16% in 2006 to 20.5% in 2008.

HUSKY Utilization data reports have been delayed while DSS revises the previous Mercer process to reports through the DSS data warehouse. MCO claims data will be reprocessed in the MMIS system, then migrated to the data warehouse. Every claim will be re-adjudicated producing more reliable data. This is a time intensive process, about 50% complete. DSS is also developing a revised MCO report list that will include MCO adoption of HEDIS measures/NCQA data validation process as well as program administrative reports. DSS reviewed the proposed reports with the Council Executive Committee and will report to the Council in February 2010.

### ***HUSKY/Charter Oak Health Plan Enrollment***

Overview of enrollment changes in the 4<sup>th</sup> Quarter:

- ✓ Total HUSKY A change:
  - **Oct – Dec. 1, 2009:** increase of 2,566 enrollees.
  - Overall 824 decrease Nov-Dec related to dis-enrollment of legal non-citizen adults as of 12-1-09.
  - Enrollment change for the months of Dec. 2008 & Dec. 2009: 27,997 increase
- ✓ HUSKY A children change:
  - **Oct-Dec. 1, 2009:** 3,722 increase.
  - Enrollment change for the months of Dec. 2008 & Dec. 2009: 17,272
- ✓ HUSKY A Adult (> 19 years):
  - **Oct-Dec. 1, 2009:** (1,156) decrease.
  - Nov. – Dec. 2009 decrease of 2,643 enrollees (legal non-citizen dis-enrolled)
  - Enrollment change for the months of Dec. 2008 & Dec. 2009: 10,725 increase
- ✓ HUSKY B (children only) changes:
  - **Oct-Dec. 1, 2009:** 179 increase
  - Enrollment change the months of Dec. 2008 & Dec. 2009: 1,293 increase
- ✓ Charter Oak Health Plan (adults 19 years – 64 years) increased by 1074 in this quarter.
  
- ✓ New/Renewals applications
  - Average about 1200/m; COHP only applications increased from 2442 in Oct. to 2906 in Dec. 2009.
  - On average ~ one-third of combined HUSKY only applications were referred to DSS this Quarter compared to 20% one year ago.
  - HUSKY B Band 2 enrollees are 3 times more likely to be disenrolled for failure to pay premium than Band 3 (pay full premium).
  - COHP Band 1 (<150% FPL & 48% of COHP members) enrollees are 3.2 times more likely than Band 5 (full premium, no state subsidy) to be disenrolled for failure to pay premium.
  - ACS survey results of members regarding reasons for not re-enrolling in their program will be available in February 2010.

- ✓ Summary of Health plan enrollee count per plan/program as of 12-1-09:

Health Plan	<b><i>HUSKY A</i></b>	<b><i>HUSKY B</i></b>	<b><i>COHP</i></b>
Aetna	83,746	4,935	5,878
AmeriChoice	41,447	1,355	1,951
CHNCT	231,834	9,521	4,206
HUSKY Primary Care*	237	NA	NA
Total	357,264	15,811	12,035

\* 1/1/10 Greater New Haven & Harford areas & Waterbury/Windham areas

### ***Special Reports***

**(Oct. 09)**

- *Asthma Easy Breathing Program (EZB):* Michelle Cloutier, MD, Director, Asthma Center, CCMC & Professor of Pediatrics, UCHC, provided an updated report on the Asthma Easy Breathing program (EZB) outcomes. The goals of this provider –based initiative is based on National Asthma Education & Prevention Program (NAEPP) guidelines that include improved

recognition of asthma, provider assistance in caring for children with asthma, reduced unnecessary medical service use and a database for research on child asthma interventions. Program outcomes showed; 1) an overall 15% decrease in persistent asthma related ED use, 2) 50% decrease in asthma hospital days, 3) 37% reduction in asthma related hospitalizations, 4) 94% of children had asthma treatment plans that adhered to the national asthma guidelines and 5) a potential Return on Investment (ROI) evaluation of Hartford children is \$3.58 saved for every \$1 spent. The Human Service Implementer bill included a provision for DSS to apply this program model based on national guidelines to the HUSKY program to standardize asthma management that is cost effective.

- *2007 Medicaid/HUSKY Birth report:* Mary Alice Lee, PhD, CT Voices, reviewed the HUSKY population-based birth data reports derived from a data match with DPH birth certificate data. Births to HUSKY A mothers (11,539) represent 28% of all CT births and there were 2,831 births to Medicaid fee-for-service mothers. Highlights of the report included:
  - 1<sup>st</sup> trimester visit rate was lower for HUSKY (77.4%) and Medicaid FFS (67%) compared to other CT births (90%). Adequate prenatal care visits was 73% HUSKY, 65% FFS compared to 83% other mothers.
  - Low birth weight (LBW) rate was highest in Medicaid FFS (9.7%), followed by HUSKY rates of 8.9% and 7.6% other births.
  - Overall HUSKY maternal characteristics reveal smoking rates are decreasing, C-section are increasing, there is a decrease in HUSKY LBW although early and adequate PNC rates is unchanged.

CT has expanded income eligibility for pregnant women, preserved legal immigrant health coverage and improved care coordination for dental and behavioral health services for women during the perinatal period. Sen. Harp suggested DSS consider manufacturers' special pricing of smoking cessation products, the cost of which would be offset by a reduction in poor birth outcomes. DSS will bring this back to the Pharmacy Therapeutics Committee and inform the Council of the Committee recommendations.

- *Community Health Center Association of CT (CHCACT) Report presentation by Evelyn Barnum, CHCACT & Katherine Yacavone SW CHC, Inc;* The council requested information on the effect of state/federal dollars to enhance service capacity on federally qualified health centers (FQHCs) service access. The data presented is based on the annual federal data center reports. Data showed changes in patient payer mix and increased dental volume/dental visits associated with the expanded structural and administrative capacity:
  - **Insurance trend analysis** shows an increasing number of HUSKY members in 2008 compared to 2006 as well as an increase in patients at the 100% and lower federal poverty level (FPL).
  - The **percentage of uninsured patients** has increased from 11% in 2006 to 30% in 2008. Both CHCACT and CHC, Inc received CHIPRA outreach dollars (~\$1M and \$400,000 respectively) targeting the hard-to-reach uninsured patient population over the next 2 years.
  - **Dental services:** 10 of the 14 CHCACT centers provide dental services with 9 member associations contributing to the dental data presented. The goal of the centers is to provide a "dental home" for patients. Highlights of CHCACT discussion included the following:
    - The increase of dental patients and encounters from 2006 to 2008 was in part related to the \$26M Governor's bonding dollars to construct/renovate dental operatories to

increase access to dental services within this safety net health care system.

- Centers have, through separate funding, added FTE dentists and dental hygienists to CHC dental centers.
- Both dental patient volume and dental visit volume has increased since 2006.