

**Managed Risk Medical Insurance Board
December 19, 2012, Public Session**

Board Members Present: Clifford Allenby, Chairperson
Richard Figueroa
Samuel Garrison
Ellen Wu

Ex Officio Member Present: Jack Campana

Staff Present: Janette Casillas, Executive Director
Terresa Krum, Chief Deputy Director
Laura Rosenthal, Chief Counsel, Legal
Jeanie Esajian, Deputy Director, Legislative &
External Affairs
Ernesto A. Sanchez, Deputy Director, Eligibility,
Enrollment, & Marketing
Ellen Badley, Deputy Director, Benefits & Quality
Monitoring
Tony Lee, Deputy Director, Administration
Larry Lucero, Manager, Eligibility, Enrollment &
Marketing
Kathi Dobrinen, Manager, Eligibility, Enrollment
& Marketing
Mary Watanabe, Manager, Benefits & Quality
Monitoring
Muhammad Nawaz, Manager, Benefits & Quality
Monitoring
David Bruglia, Staff Services Analyst, Benefits &
Quality Monitoring
Tony Jackson, Research Program Specialist,
Benefits & Quality Monitoring
Jenny Phillips, Staff Counsel, Legal
Rebecca Dietzen, Staff Counsel, Legal
Carmen Fisher, Legal
Valerie York, Acting Executive Assistant to the
Board and the Executive Director
Monica Martinez, Board Assistant

Also Participating: Candice Gomez, CalOptima
Carole Anderson, Community Health Group
Gabby Rubalcava, Community Health Group
Andrea Broughton, Kaiser Permanente

Public Comment: Greg Alerton, California Dental Associates
Hellan Roth Dowden, Teachers for Healthy Kids
Elizabeth Abbott, Health Access
Carolyn Ginno, California Medical Association
Kelly Hardy, Children Now

Chairman Allenby called the meeting to order at 10:05 a.m. The board went into Executive Session and resumed public session at 10:36 a.m.

REVIEW AND APPROVAL OF NOVEMBER 14, 2012 PUBLIC SESSION

The minutes of the November 14, 2012, public session were approved as submitted.

The November 14, 2012, Public Session Minutes are located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_item_3_Public-11-14-12_Final.pdf

STATE BUDGET UPDATE

The State Budget Update was not presented to the Board.

EXTERNAL AFFAIRS UPDATE

Jeanie Esajian reported on Agenda Item 6, the External Affairs Update. The last 30 days were a light period for media calls. However, there was significant coverage of the Healthy Families Program subscriber transition to Medi-Cal during the period.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The document on the External Affairs Update is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_6_External_Affairs_Update.pdf

STATE LEGISLATION

Ms. Esajian reported on Agenda Item 7, State Legislation. She presented the first legislative report for the Session, initial bill introductions. Introductions of more health care-related bills are expected in the Special Session. Some of the introduced bills replicate earlier bills that either died or were vetoed.

Richard Figueroa asked whether staff planned to track Medi-Cal expansion bills, such as SB 28. Ms. Casillas said that could be done. Laura Rosenthal said more bills than those presented to the Board are tracked internally.

Chairman Allenby asked if there were questions or comments from the audience. There were none.

The State Legislative Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_item_7_BOARD_BILL_SUMMARY_Dec_12_initial.pdf

PRE-EXISTING CONDITION INSURANCE PLAN (PCIP) UPDATE **Enrollment Report**

Ernesto Sanchez reported on Agenda Item 8.a, the PCIP Enrollment Report. Slightly more than 1,000 persons enrolled into the program in November, bringing total enrollment to more than 15,000. As of December 18, California PCIP enrollment was 15,500. There were no major changes in demographics. Mr. Sanchez presented nationwide PCIP statistics and indicated that California's PCIP was the largest in the nation.

Chairman Allenby asked if there were any questions or comments. There were none.

The PCIP Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_8.a_PCIP_Enrollment_Report_for_November_2012.pdf

Administrative Vendor Performance Report

Mr. Sanchez reported on Agenda Item 8.b, the Administrative Vendor Performance Report. The administrative vendor met all performance levels for processing applications, completing determinations, forwarding applications, toll-free customer service, quality and accuracy reporting . No benefit appeals are currently pending.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The PCIP Administrative Vendor Performance Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_8.b_PCIP_Adm_Vendor_Board_Report_November_data.pdf

Third Party Administrator Performance Report

Mary Watanabe reported on Agenda Item 8.c, the Third Party Administrator Performance Report. The third party administrator met all performance standards for November, with two exceptions. Three claims were processed for more than 30 days while a subcontractor (Advantria) reviewed pricing in an effort to reduce the cost.

In addition, the third party administrator received the first request for an expedited independent external review (IER) during the month. MRMIB's contract with the third party administrator (Health Now Administrative Services) requires that 100 percent of all expedited IERs be sent to the administrative vendor (Maximus) within two business days. The current IER was received just prior to the Thanksgiving holiday, so it took approximately four days to transmit to Maximus. Staff is talking with Health Now to ensure that urgent or expedited mail or faxed items are immediately sent to the correct party.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The PCIP Third Party Administrator Performance Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_8.c_No

Other Program Updates

Ms. Casillas reported on Agenda Item 8.d, Other Program Updates. She noted that 2013 is the last year MRMIB will contract with the federal government to operate PCIP. Staff reports regularly to the federal government on program activities, including budgetary needs, and the federal government is very supportive of the California program and well aware that more than 1,000 persons enroll each month. Mr. Figueroa said it appears that California will have twice the enrollment of the next highest enrollment state within two months. Ms. Casillas said protections are in place to provide subscribers with notice of any program changes later in 2013.

Mr. Figueroa noted that the Major Risk Medical Insurance Program had up to 21,000 subscribers in the past, but enrollment declined because of increased program costs. He said it is apparent the need is there, but affordability is the issue.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Larry Lucero reported on Agenda Item 9.a, the Enrollment Report. A total of 111 new subscribers enrolled during November 2012, bringing program enrollment to 5,726, well below the enrollment cap. A total of 195 applications were submitted in November, and 17 individuals were on the waiting list as of December 1. Mr. Lucero reported that there were no significant changes in demographics.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The MRMIP Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_9.a_MRMIP_Board_Report_Summary_forJuly_2012.pdf

Administrative Vendor Performance Report

Mr. Lucero reported on Agenda Item 9.b, the Administrative Vendor Performance Report. The administrative vendor met or exceeded all four MRMIP performance requirements.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The MRMIP Administrative Vendor Performance Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_9.b_MRMIP_Adm_Vendor_Perf_for_July_2012.lnk.pdf

Other Program Updates

Ms. Casillas reported on Agenda Item 9.c, Other Program Updates. She reminded Board members that the program will provide an increased subsidy to MRMIP subscribers to make premiums more affordable and comparable to PCIP premiums. She said that staff would update the Board if the increased subsidy affects MRMIP enrollment.

HEALTHCARE REFORM UNDER THE AFFORDABLE CARE ACT

Ms. Casillas reported on Agenda Item 10, Healthcare Reform Under the Affordable Care Act. The U.S. Department of Health and Human Services released three sets of proposed regulations on November 20. The regulations addressed three areas: a prohibition on health insurance company discrimination against individuals with pre-existing or chronic conditions; policies and standards for coverage of essential health benefits; and implementation and expansion of employment-based wellness programs. Ms. Casillas said she would reach out to the Health Benefit Exchange and the Department of Health Care Services to see if California will develop a consolidated response on these regulations, as has been done in the past on ACA-related federal regulations.

Chairman Allenby asked if there were any questions or comments from the Board or audience. There were none.

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Kathi Dobrinen reported on Agenda Item 11.a, the Enrollment and Single Point of Entry Report. At the end of November, there were 857,090 children enrolled in the Healthy Families Program; 24,890 were new subscribers. The majority of HFP subscribers continue to be Latino. The top five counties of enrollment continue to be in Southern California, comprising more than 58 percent of HFP enrollment. More than 92 percent of subscribers are Spanish- and English-speaking individuals. Single Point of Entry processed 21,853 applications in November, with approximately 71 percent forwarded to HFP.

Chairman Allenby asked if there were any questions or comments from the Board or audience. There were none.

The HFP Enrollment and Single Point of Entry Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_11.a._%20HFP_November_2012_Summary.pdf

Administrative Vendor Performance Report

Ms. Dobrinen reported on Agenda Item 11.b, the Administrative vendor Performance Report. The administrative vendor continued to meet all 18 areas of performance, quality and accuracy standards while screening applications to the

appropriate programs, processing applications, program reviews and appeals, eligibility determinations, assisting applicants and subscribers through the toll-free lines, and transmitting subscriber enrollment information to the plans.

Chairman Allenby asked if there were any questions or comments from the Board or audience. There were none.

The HFP Administrative Vendor Performance Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda%20Item_11.b._HFP_Adv_Vendor_QA_2012-11.pdf

2010-11 Mental Health Utilization Report

Ms. Watanabe reported on Agenda Item 11.c, the 2010-11 Mental Health Utilization Report, which presents information on mental health services provided by HFP- contracted health plans and county mental health departments to children with seriously emotionally disturbed or SED conditions. HFP plans provide medically-necessary treatment for mental health conditions, including severe mental illness or SMI conditions such as schizophrenia, bipolar disorder, autism and anorexia. The health plans are required to refer children to the county mental health departments for SED assessment if such a condition is suspected. Kaiser provides all mental health services within its delivery system.

Chairman Allenby asked for clarification on how Kaiser's treatment of children with SED is monitored and funded. Ms. Casillas said treatment of SED conditions are not considered in rate negotiations due to the carve-out of SED conditions to county treatment. She presumed that would remain the same when HFP children are transitioned to Medi-Cal.

Ms. Watanabe said a child with an SED condition may have substantial difficulties with self-care, school functioning or family relationships. To be considered SED, the condition must have been present for more than six months and is likely to last for more than a year. These children also may display psychotic features, be at risk for suicide or violence, or meet special education eligibility requirements. Once a child is determined by a county to have an SED condition, the county's mental health department provides all care for that condition, referred to as the SED carve-out. However, HFP plans are required to provide mental health services to these children until those county services begin.

Data for the report includes benefit year data from health plans on mental health services provided to HFP children and the number of SED referrals made to the county. DHCS also provides information concerning the number of children treated for an SED condition each benefit year by age, expenditure and service type.

This year's report includes information on two HEDIS® measures. These are the measures of Mental Health Utilization and Identification and Treatment of Alcohol and other Drug Services. This information is used to monitor plan referrals, track trends in costs and services, and ensure HFP children receive appropriate and medically-necessary care.

The report indicates that nearly 24,000 or three percent of HFP enrolled children received mental health services from their plan during the 2010-11 benefit year. This was up slightly from the two percent reported from the prior year. Another 2,170 children were referred to county mental health departments for assessment of an SED condition, a volume consistent with past years. About half of the referrals came from plans, providers, or plan contractors; the other half came from sources such as juvenile justice, schools or self-referrals from family members. Nearly three-quarters of referrals were approved, an increase over last year's 60 percent approval. During the benefit year, nearly 8,400 children received SED services, with the majority over age nine. Total expenditures were \$29 million, a decline from the high of \$40 million in the 2008-09 benefit year. The average cost per case was \$3,427, which has remained stable over the years. Mental health services, which include assessment, evaluation, therapy and rehabilitation, accounted for three-quarters of total expenditures.

This report cited other reports and briefings on the need for mental health services. Staff is aware that the Board has been interested for years in how HFP mental health services compare, including the need within the subscriber population and whether that need is being met. Staff has consistently reached the conclusion that mental health services in HFP are still falling well below the need. State and national estimates indicate that approximately eight to 25 percent of children may need mental health services, and with all HFP data combined from various quality measures, the population served is only approximately 4 percent.

Mr. Figueroa asked for clarification regarding the number of HFP children receiving mental health services. He said that, while Ms. Watanabe reported that 2.8 percent of all enrolled children, or 24,000, received mental health services, the report also used a 4.3 percent figure. Ms. Watanabe said that the larger number referred to the HEDIS® Mental Health Utilization Measure and acknowledged the numbers were confusing. She noted that HFP health plans report all services provided to children and that the HEDIS® Mental Health Utilization Measure is for children aged 13-17 years. Because of the continuous enrollment requirement of HEDIS®, it is a different population and a subset of the total HFP population. Even including the HFP children receiving SED services, the figure is still in the 4 percent range. She added that numerous factors would prevent all mental health service needs from being met, including cultural factors and family issues. However, there is still room for improvement.

The report also includes the HEDIS® Alcohol and Drug Treatment Services Measure because alcohol and drug treatment often indicate mental health issues. A recent National Survey on Drug Use and Health estimated that 11 percent of adolescents in California reported illicit drug use, 14 percent reported alcohol use and nearly five percent indicated the need for treatment. Less than one percent of HFP subscribers aged 13-17 were receiving treatment for substance abuse, according to HEDIS®.

Staff continues to monitor mental health services and has begun receiving information from the health plans on the 2011-12 benefit year. This information also will be collected for DHCS. With the transition of HFP subscribers to Medi-

Cal, it appears that the 24,000 HFP subscribers currently receiving mental health services will receive those services in Medi-Cal through county mental health plans or a fee-for-service mental health provider. Medi-Cal Managed Care plans cover basic mental health services that are provided by a primary care physician as part of the EPSDT benefit. There is not an SED criterion in Medi-Cal. There are assumptions that if a child is eligible for SED, he or she is likely eligible for specialty mental health services through county mental health plans.

Chairman Allenby noted that, prior to realignment counties were responsible for treatment of SED. However, with realignment, that responsibility goes back to the federal requirement and school districts are the main providers of those services. So, whether school districts contract with counties or provide the services in another manner, realignment will change how SED services are administered.

Jack Campana said changes in the law shifted the funding to schools and led them to become more active in addressing mental health issues. The schools have the option of contracting with the county or with an eligible provider of mental health services.

He noted that in 2001-02 about 400 students were expelled in San Diego County schools. Through a federal mental health grant, it was determined that more than 80 percent of those students met the requirements for a mental health diagnosis. Mr. Campana said he believed referrals would benefit from a greater connection between the schools and health plans. Ms. Casillas said the state lacks a comprehensive assessment, looking at the schools and those seeking walk-in services from counties. Analyses are compartmentalized and do not provide a true picture of the situation, making it difficult to assess the number of children within the state who are receiving mental health services.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The HFP 2010-11 Mental Health Performance Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_11.c_2010-11_Mental_Health_Utilization_Report.pdf

Recognition of High Performing Plans Based on the 2011 Healthcare Effectiveness Data and Information Set (HEDIS®) Report

Muhammad Nawaz reported on Agenda Item 11.b, Recognition of High Performing Plans Based on the 2011 Healthcare Effectiveness Data and Information Set (HEDIS®) Report. HEDIS® results were presented last month. From that report, a composite measure was developed and analyzed to determine which plans excelled compared to others, and which were most improved. This analysis led to the recognition of high performing plans.

The highest overall performing plans for 2011 were:

- CalOptima, represented by Candice Gomez

- Community Health Group, represented by Carole Anderson and Gabby Rubalcava
- Kaiser Foundation North, represented by Andrea Broughton
- Kaiser Foundation South, represented by Andrea Broughton

The plan that showed the greatest improvement for 2010 to 2011 was:

- Alameda Alliance for Health, which did not have a representative in attendance.

The HFP document on the Recognition of High Performing Plans based on the 2011 Healthcare Effectiveness Data and Information Set (HEDIS) Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_11.d_Recognition_of_High_Performing_Plans_Based_on_the_2011_HEDIS_Report.pdf

CAHPS Report

Ellen Badley presented Agenda Item 11,e, the Consumer Assessment of Health Providers and Systems (CAHPS) Survey Procedure and Questionnaire, which were developed jointly by the Agency for Health Care Quality Research and the National Committee on Quality Assurance. CAHPS provides a comprehensive tool used by MRMIB to measure the experience of HFP families with their health plans. The 64-question survey measures experience in areas such as getting care quickly and how doctors communicate, as well as global ratings of health care.

Attempts were made to survey 37,400 families last spring. The mailed survey is one of the ways that MRMIB assesses and measures the ongoing quality of HFP health plans. The standard survey questions are grouped into four global ratings measures and five composites. Global measures include overall ratings of health care, the health plan, the personal doctor and specialists. Composite measures are groups of questions about getting needed care, getting care quickly, how well doctors communicate, customer services and shared decision making. The questions were provided in writing to the Board and the audience, as well as information about historic trends in survey results from 2000 to 2012.

Although parent opinions on overall health plan and health care ratings have fluctuated over the years, the 2012 rates are comparable to the 2000 rates and show little change. However, the overall doctor and specialist ratings show marked improvements in getting care quickly, which may be attributed to the new timely access regulations which took effect in January 2010. However, in these composite measures, getting needed care was negative in 2011-2012 compared with previous years. The report provided overall ratings and composite scores for each plan in all categories.

Specific questions that rated statistically significantly higher scores from 2012 to 2011 were the following: parent's assessment that the child usually or always got needed care as soon as needed; ease of filling out forms for the child's health plan; and excellent or very good rating of the child's overall health. Two questions

that earned statistically significantly lower scores in 2012 as compared to 2011, were the following: the personal doctor usually or always explains things in a way that is easy to understand and the overall rating of the health plan.

Overall, 92 percent of subscribers indicated their doctor usually or always listened carefully to what they were saying and 94 percent indicated their doctor usually or always showed respect for what they had to say.

Kaiser Foundation Health Plan was the only health plan that scored significantly higher than the HFP average on all five composite measures and on all four overall measures. The report also provides 2012 individual plan scores and overall HFP scores in bar charts. Individual plans are compared to overall HFP scores, showing scores that are significantly higher or lower. Demographic information is provided in the report appendices and distinguishes between children whose parents responded to the survey and those who did not.

Ms. Badley concluded by noting that, although some CAHPS scores dropped from the previous reporting period, overall most HFP families rate their plans and providers positively.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. Mr. Figueroa asked whether information on this report would be sent to Legislative staff. Ms. Casillas said that was correct.

The HFP CAHPS Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_11.e_C_AHPS_2012.pdf

Other Program Updates

Other Program Updates were not presented to the Board.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Ms. Dobrinen reported on Agenda Item 12.a, the Enrollment Report. A total of 823 new subscribers enrolled in November, bringing total program enrollment to 6,786 subscribers. The majority continue to be Latina. The percentage of enrollment in specific counties did not change; Los Angeles, San Diego and Orange counties continue to be the top three, representing approximately 50 percent of all AIM enrollment. Health plan enrolled did not significantly change compared to the previous month.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The AIM Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_12.a_AIM_Nov_2012_summary.pdf

Administrative Vendor Performance Report

Ms. Dobrinen reported on Agenda Item 12.b, the Administrative Vendor Performance Report. The administrative vendor met all seven areas of performance, quality and accuracy standards for processing applications, making eligibility determinations, assisting applicants and subscribers through the toll-free line, and transmitting subscriber enrollment information to the health plans.

Chairman Allenby asked if there were any questions or comments from the Board or the audience. There were none.

The AIM Administrative Vendor Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_12.b_AIM_Adm_Vendor_Perf_Nov_2012_Summary.pdf

Other Program Updates

Other Program Updates were not presented to the Board.

TRANSITION OF THE HEALTHY FAMILIES SUBSCRIBERS TO THE MEDI-CAL PROGRAM

Phase 1A

Ms. Casillas reported on Agenda Item 5.a, Phase 1A Transition. She presented the Board with a chart listing the health plans and estimates of HFP subscribers affected by the first phase of the transition by county.

The Transition Phase 1A document is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_5.a_Phase_1a_Counties.pdf

Member Notices

Ms. Casillas presented Agenda Item 5.b,i, Member Notices. She presented the final notice sent by DHCS to HFP children slated for transition in Phase 1A. This letter, which was originally titled a 30-Day Notice, is now titled a Reminder Notice because it was sent out after December 1, 2012. The English-language version was sent out December 5 and the Spanish-language version on December 6. All other languages were mailed December 7 and 8.

Ellen Wu asked whether a 30-Day Notice was sent. Ms. Casillas said the statute that enacted the transition required a 60-Day Notice for Phase 1, and that was sent November 1. All other notices discussed were those recommended by MRMIB staff were not statutorily required.

Mr. Figueroa said the 60-Day Notice was a generic one and the Reminder Notice contains plan-specific information for the recipient family. Ms. Casillas said the Reminder Notice is more tailored, but it is not specific. She noted that while federal

approval for the transition has not yet been granted, DHCS released a first draft of the 60-Day Notice for the Phase 1B transition, which is Agenda Item 5.b.ii. This notice is required by the enabling statute and must be mailed by January 1, 2013. Agenda Item 5.b.ii also included a draft of the 90-Day Notice proposed for Phase 2 of the transition, which must be mailed by January 1, 2013. Phase 2 also requires a 60-Day Notice.

Ms. Wu said while she was aware that both draft letters must be reviewed by the Center for Health Literacy, it was not until the third page of the letters that the provider is mentioned, which is the major concern for most subscribers; whether or not they can keep their present doctor. Ms. Casillas said that was correct and noted that there were advocates and representatives of children's groups in the audience that could comment on that point. Ms. Casillas noted that DHCS is soliciting feedback and comments on the two drafts in question.

The Transition Member Notices documents are located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_item5bDec19_12.html

Department of Health Care Services Frequently Asked Questions

Ms. Casillas presented Agenda Item 5.c, Department of Health Care Services Frequently Asked Questions. This is the latest version of the FAQs produced by DHCS. This document has been and will continue to be updated over time.

The Department of Health Care Services Frequently Asked Questions is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121912/Agenda_Item_5.c_HFP_to_Medi-Cal_Transition_FAQs.pdf

Other HFP Transition Issues

Ms. Casillas presented Agenda Item 5.d.i, Other HFP Transition Issues. She provided a copy of a letter sent to Diana Dooley, Secretary of the California Health and Human Services Agency, from members of the California Congressional Delegation. The letter expressed concern about the speed at which the transition was occurring. Agenda Item 5.d.ii was a letter sent to Secretary Dooley by Senate President Pro Tempore Steinberg expressing the same sentiment as the first letter. Agenda Item 5.d.iii was a data report from Maximus that groups subscriber calls to the HFP call center by type. This report provides general information on call volume related to the transition.

Ms. Casillas said January billing statements that would normally be produced this week will be suppressed for children who are in the Phase 1A transition as part of an agreement with DHCS. Since Medi-Cal will be collecting premiums from approximately two-thirds of the HFP subscribers who will transition, some of the Phase 1A transitioning families may receive Medi-Cal billing notices. She said Maximus will work with DHCS to send out these billing statements to families with incomes above 150 percent of the federal poverty level.

Ms. Wu asked Ms. Casillas what would happen if the transition does not occur on

January 1 and HFP subscribers have not paid their January premiums. Ms. Casillas said that MRMIB would develop a plan to hold families harmless if they were disenrolled for nonpayment because Healthy Families did not send billing statements. Mr. Figueroa said this was a potential problem for each phase of the transition.

Ms. Casillas said the Board has been very transparent about its business and has disclosed, through publication of its business rules, exactly how it conducts business. For example, even though a county is listed for transition in Phase 1A, this does not mean every HFP child in that county will transition. In addition, not every child in a health plan that is transitioning in a county will transition. A child may have been in a plan such a short time as to not have received the 60-Day Notice, and would not transition until he or she receives a 60-Day Notice. Ms. Casillas said that all new enrollments into HFP with an effective date after November 1 would have not received the 60-Day Notice.

Chairman Allenby asked if there were questions or comments from the Board or the audience.

Greg Alderton, representing the California Dental Association, asked if MRMIB staff reviewed or received any notifications sent to HFP dental plan providers on the status of their patients. He said these patients probably would not be in Phase 1A or 1B. Other than in Los Angeles and Sacramento counties, other counties have Medi-Cal fee-for-service. Ms. Casillas said she was unaware of any notices sent out to dental plan providers. However, such notices were suggested and MRMIB staff would be willing to review those notices for accuracy. She said there were some HIPAA (Health Insurance Portability and Accountability Act) concerns about sending out specific notices, but noted DHCS was doing aggressive outreach to dentists throughout California.

She said MRMIB staff received a data file from DHCS on December 18 containing the names of all children scheduled for transition. This file has been posted on a secure site accessible by HFP health, dental and vision plans as a courtesy advance notification of their members targeted for transition. The file does not reflect disenrollments that may happen at the end of December, which will be provided as usual to the plans.

Hellan Roth Dowden, representing Teachers for Healthy Kids, distributed a list of questions and concerns regarding the dental transition. She said 64 percent of HFP children see a dentist in any given year. Teachers' for Healthy Kids data show that 36 percent of Medi-Cal children see a dentist annually while DHCS reports the number for Medi-Cal is 50 percent. A recent report found that most HFP children see their providers for preventive care while, in Medi-Cal, the reason is for extractions.

Teachers for Healthy Kids is very concerned because HFP children in 56 of the state's 58 counties will go into fee-for-service Medi-Cal, leaving the Department of Managed Health Care with no authority to review the quality of that dental care. Ms. Roth Dowden said the Medi-Cal dental care program at DHCS is staffed by only six people and DHCS's contractor. She indicated that the questions. She

indicated that the questions she distributed to the Board were the questions previously asked of DHCS. The questions address the methodology used to develop the child to dentist ratio and whether the transitioned children will be able to continue to see their current dentists. Ms. Roth Dowden said that her group requested a reply to these questions from DHCS a week-and-a-half earlier. She stated that DHCS did not have answers to a lot of the questions and said that the ratio of children to dentists (903:1) was a mathematical formula.

She noted that, at the last HFP Advisory Panel meeting, a dentist member from San Luis Obispo said he had not received the DHCS survey that all HFP dentists were to have received with an opportunity to reply if they were going to continue to see these children after transitioned to Medi-Cal. The individual said half his practice was comprised of HFP and Medi-Cal children. Additionally, he said none of his partners or the 30 some attendees at a recent dental society meeting in San Luis Obispo received the survey. Based on this input, Ms. Roth Dowden said her group is concerned about the survey results. While it is known that there are an adequate or more than adequate number of dentists in Los Angeles County, this is not the case for most of the 56 other counties in California. Teachers for Healthy Kids believes a third party should monitor the dental transition and she asked the Board to assist in obtaining that oversight.

Ms. Roth Dowden said DHCS agreed to reply to the questions by December 28. She promised to share the responses but noted that this seemed late. Her group believes the dental networks in Medi-Cal are not adequate. Stating that health plans that did not have adequate networks are not in the transition, she questioned why this was not the process in the dental component of the transition.

Ms. Roth Dowden said that there is nothing worse for a teacher than to see a child in a classroom with head bowed down crying because his or her teeth hurt. At a recent California School Boards Association meeting, a Lake County School Board member who is also a dentist recounted a case where a child had such a swollen and bruised face, he was suspected of being abused. However, the cause of his injuries was an abscessed tooth and the cost for his care totaled approximately \$20,000, a situation which could have been avoided if the child had access to insurance. The child was on Medi-Cal.

Mrs. Roth Dowden said her group has spoken with CAAs (certified application assistants), who reported that Medi-Cal application processing is backed up to August in one county, a situation which the county confirmed. She reported that, in San Diego County, CAAs reported that the District Attorney visits the home of a Medi-Cal applicant, which deters some HFP subscribers from applying for Medi-Cal. In two other counties, attempts to call the service center to apply for Medi-Cal were unsuccessful even prior to the anticipated transfer of the 850,000 HFP children.

Ms. Casillas said that, even during the transition, the state is eligible to claim the enhanced CHIP (Children's Health Insurance Program) federal participation match for the former HFP children and that CHIPRA (Children's Health Insurance Program Reauthorization Act) makes dental coverage a mandatory benefit. She said dental care is an area of concern at the federal level because of some poor

patient outcomes and that CMS has an office for dental oversight.

Beth Abbott, representing Health Access, said that at an earlier meeting, DHCS said that many of the communication problems related to the transition were due to HIPAA (the Health Insurance Portability and Accountability Act). Ms. Abbott stated that it is possible for the U.S. Secretary of Health and Human Services, Kathleen Sebelius, to waive HIPAA requirements between two public agencies. She said some of these communication barriers could be removed if Secretary Dooley requested that Secretary Sebelius waive HIPAA requirements. She urged the Board to look into this and noted that Secretary Sebelius had waived HIPAA requirements in some past situations.

Carolyn Ginno, representing the California Medical Association, commented on Ms. Wu's questions regarding notices for the 1A and 1B phases, and lack of information on how a subscriber may keep his or her physician after the transition. She said CMA members were scared about the transition. There has been no provider level stakeholder communications similar to what DHCS has done for the recent transition of the Medicare-Medicaid dual eligible population. The communications for the duals project has been helpful, but there have still been problems with the SPD (Seniors and Persons with Disabilities) transition due to lack of proactive communication with providers to assist them in communicating with their patients and continuing to see those patients. Ms. Ginno said the CMA is anticipating a lot of disruptions after January 1, 2013, if the transition proceeds.

Ms. Ginno said that, at the recent stakeholder group meeting with DHCS, there was discussion about communications to dentists asking if they would continue to see their patients. She said no such communications have occurred with physicians, although stakeholders made this request. She said the stakeholders were told that plan attestation of a network's viability was sufficient. For Phase 1A, where the transition is within the same plan, and Phase 1B, where the transition is to subcontracted plans, the same plan does not mean the same network, especially when there are different rate issues. While the recent court decision involving Medi-Cal rates does not apply to children, such reductions will have a larger impact on providers' abilities to participate in Medi-Cal. When this [provider communication] was raised at the recent stakeholder meetings, the group was told that this was not being considered for purposes of network assessments for the transition phases.

Ms. Ginno said the Affordable Care Act primary care rate increase slated to go into effect January 1 for specific CPT codes was also not discussed in relation to the transition. While the effective date is not yet confirmed, stakeholders learned that DHCS asked managed care plans to put up the money to pay for the provider rate increase beginning January 1, and indicated that these funds will later be refunded to the plans. She added there has been no word about whether the plans agreed to this. CMA providers are very much in need of this increase, which has been in federal law for nearly three years.

Ms. Ginno emphasized that the world faced by her members includes an approved 10 percent rate cut that could be retroactive up to 19 months, to June 1, 2011. However, stakeholders do not know whether DHCS will implement this provision

retroactively or what the Governor will budget. However, the situation is a huge specter for the CMA, especially with talk about adding a five to ten percent reduction. She stated that this is now a 20 percent cut on top of the difference between the Healthy Families and Medi-Cal rates.

Ms. Ginno stated that these children and families will have fundamental difficulties in continuing to see their providers based on what CMA is hearing from physicians. She indicated that there is a fundamental difficulty, if not impossibility, to continue participating in Medi-Cal or to join as a new provider.

Kelly Hardy, representing Children Now and a coalition including Children's Defense Fund California, the Children's Partnership, California Coverage and Health Initiatives, Pico California and United Ways of California, said her constituents are very concerned that the network adequacy reports are no longer valid, if they were at any point.

She also urged that a clear and stringent monitoring plan be put in place to achieve clarity about the progress of the transition and to quickly address problems that arise. She urged the Board to join in making that recommendation. She said that a monitoring plan was discussed in the stakeholder call and is still forthcoming. Her groups are extremely concerned that this monitoring plan is not yet available for a transition slated to start January 1. Additionally, the groups are urging that, if problems arise in Phase 1A, there should be a slowdown and reconsideration of Phase 1B.

Additionally, Ms. Hardy urged maintenance of MRMIB's child focus once the transitioned is complete and asked whether there was information on the timing of the transition of the HFP Advisory Panel to DHCS. Ms. Casillas said that the panel will transition, but a date is not known. At some point, it is presumed that the panel would "lift and shift" to DHCS and its schedule of 2013 meetings will be maintained.

Ms. Hardy also expressed concern over the lack of communication with physicians, who could provide information to patients who call their offices with questions about the transition. Additionally, neither clinics nor CBOs (community-based organizations), which could assist in explaining the transition details to consumers, have been brought into the process. CBOs, clinics and doctors could be very helpful in this regard, but they are not being enlisted and this is a huge problem. Her constituents have raised this issue since their inclusion in stakeholder meetings and nothing has been done yet.

Mr. Figueroa asked what questions were coming into the HFP call center and whether staff was keeping track of them. Ms. Casillas said staff provides input to Maximus for call center scripts and suggested that MRMIB place the scripts on its website. She also indicated that MRMIB sends informational updates to all HFP health, vision and dental plans, and CAAs, as well as to DHCS to send to its respective networks and post on its website. Questions for Maximus may result in referrals to Health Care Options or county social services. The HFP call center maintains a list of all phone numbers for all counties statewide.

Ms. Wu asked whether staff knew how many children were not transitioning with their county because they enrolled in HFP after November 1. She asked whether staff could advise them they are transitioning later. Ms. Casillas said staff can determine which children are not transitioning and can communicate with their families. These children can transition the month after receiving their 60-Day Notice rather than waiting for the following transition phase.

Mr. Figueroa asked whether applicants after January 1 would enroll directly into Medi-Cal. Ms. Casillas said that was correct. Mr. Figueroa asked whether that applied to children statewide. Ms. Casillas said that this was correct with the exception of AIM-linked infants.

Jack Campana said that, as of January 1, HFP will be open only to AIM-linked infants. It appears that HFP as we know it is over. Families will now apply under Medi-Cal and there is no such thing anymore as applying for HFP.

Ms. Casillas said that this was correct. She said new call center scripts and the General Notice sent to HFP families made that point. It makes clear that HFP children are transitioning, the law changed, that all uninsured children should have health care and that Health-e-App and “apply-by-phone” continue to be available for Medi-Cal applicants. Any remaining HFP paper applications in the community could still be used but would enroll the user in Medi-Cal.

Mr. Figueroa asked whether December would be the last enrollment report presented to the Board. Ms. Casillas said that this was correct; the December report would be presented to the Board in January. Mr. Figueroa asked how reporting will occur after January. Ms. Casillas said she presumed it will be detailed in the terms and conditions of the 1115 Waiver DHCS sought for the transition. Mr. Figueroa said there might be a lengthy time lag in reporting. Ms. Casillas said that this was true, but that staff would report to the Board what is reported publicly by DHCS; staff will have no capacity to provide reports and data analysis independently. She said the enrollment chart would continue to be presented to the Board and would, over time, show the decline in enrollment as the transition proceeds. Mr. Figueroa asked whether the total number of subscribers would continue to be reported. Ms. Casillas said that this was correct and that new subscribers to HFP would probably be only AIM-linked infants.

Mr. Figueroa said it appeared that the Board would not know for some time what the transition means for new enrollment, disenrollment or continuing enrollment. Ms. Casillas said she did not know what would be reported, when and from what data system.

The Other HFP Transition Issues documents are located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_item5dDec19_12.html

The meeting was adjourned at 12:04 p.m.