

**Managed Risk Medical Insurance Board
January 19, 2011, Public Session**

Board Members Present: Cliff Allenby (Chairman)
Richard Figueroa
Sophia Chang, MD, MPH

Ex Officio Members Present: Katie Marcellus, designee of the Secretary of the
California Health and Human Services Agency;
Jack Campana, Chairman of the Healthy Families
Advisory Panel
Tim LeBas, designee of the Secretary of the Business,
Transportation and Housing Agency

Staff Present: Janette Casillas, Executive Director;
Laura Rosenthal, Chief Counsel;
Shelley Rouillard, Deputy Director Benefits &
Quality Monitoring;
Ernesto Sanchez, Deputy Director Eligibility,
Enrollment & Marketing Division;
Jeanie Esajian, Deputy Director Legislative &
External Affairs;
Loressa Hon, Manager, Administration Division;
Thien Lam, Manager, Eligibility, Enrollment &
Marketing Division;
John Symkowick, Legislative & External Affairs;
Sarah Smith, Legislative & External Affairs;
Larry Lucero, Manager, EECA Services;
Kathi Dobrinen, Manager, Contract Compliance &
Marketing;
Darryl Lewis, Manager, Eligibility, Enrollment
& Marketing;
Muhammad Nawaz, Research Manager Benefits &
Quality Monitoring;
Marlene Ricigliano, Manager, Administration;
Amanda Evans, Manager, Administration;
Amy Kuo, Manager, Administration;
Tony Lee, Manager, Administration;
Brian Warren, Manager, Benefits & Quality Monitoring;
Rachelle Weiss, Benefits & Quality Monitoring;
Sarah Soto-Taylor, Manager, Benefits & Quality
Monitoring;
Jennifer Davis, Senior Staff Counsel;
Gabriel Ravel, Staff Counsel;
Jordan Espey, Legal;
Koy Lee, Legal;
Diane Knox, Administration;
Diana Rushton, Administration;
Caroline Cain-Smith, Administration;
Maria Angel, Executive Assistant to the
Board and the Executive Director;
Valerie York, Board Assistant.

Chairman Cliff Allenby called the meeting to order at 10 a.m., and then convened the Executive Session. The Public Items resumed at 11:30 a.m.

REVIEW AND APPROVAL OF MINUTES OF DECEMBER 15, 2010 PUBLIC SESSION

A motion to approve the minutes of the December 15, 2010 Board Meeting was seconded and unanimously approved.

The December 15, 2010 Public Minutes can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_3_12-15-10_Public_Minutes_Final.pdf

FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY (Including Healthcare Reform, Economic Stimulus & Budget)

Jeanie Esajian, Deputy Director for Legislation and External Affairs, reported on Agenda Item 4. She described items in the Board agenda packet; including an article discussing the Pre-Existing Condition Insurance Plan and an article from the Commonwealth Fund discussing discretionary and non-discretionary spending under the ACA; and reports from the Congressional Budget Office and the Congressional Research Service.

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

The documents for the Federal Budget, Legislation & Executive Branch Activity update are located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_4_Federal_Budget_Legislation.pdf

STATE BUDGET UPDATE

Loressa Hon, Chief of Fiscal Services, reported on Agenda Item 5, the 2011-12 Governor's Budget Update.

For fiscal year 2011-12, the Governor's Budget provided \$1.56 billion for all MRMIB programs, consisting of state operations and local assistance. Ms Hon explained some of the assumptions underlying the budget, including that the MCO tax will be made permanent and will generate up to \$97 million for Healthy Family for fiscal year 2011-12. Ms. Hon discussed the Governor's proposal to reduce General Fund expenditures, including premium increases premiums effective June 1, 2011, for subscribers in income category B and C. These are the same increases that were discussed with the Board last May. Ms. Hon presented a chart demonstrating the new premiums by category.

Ms. Hon also discussed the Governor's proposal to increase Healthy Families co-payments for an emergency room visits increase from \$15 to \$50, as well as a new in-patient hospital co-payment of \$100 per day, with a \$200 maximum per occurrence. Implementation of this proposal is contingent upon approval by the Centers for Medicare and Medicaid Services (CMS); the proposal conforms with the current Medi-Cal co-payment proposal.

Finally, Ms. Hon discussed the Governor's proposal to eliminate vision coverage for subscribers in the Healthy Family Program effective June 1, 2011.

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

Lucinda Ward of Vision Service Plan reported that VPS currently covers close to 700,000 children in HFP with a full service vision plan. Ms. Ward stated that Vision is a very important benefit to children and pointed to learning and behavioral issues that can come from not having vision care. She indicated that VSP is working quickly with underwriters and MRMIB staff to come up with alternatives that would be palatable and acceptable, including something less than a full service plan.

Chairman Allenby said that while certain things related to the Budget must to be done by March, it is unclear that the vision proposal needs to be part of the March decision. However, there are significant savings and there may be an attempt to get it done.

Janette Casillas, Executive Director, noted that the Board's current Budget also presumes a grant of \$81.4 million from the First 5 Commission. The MRMIB staff has had many discussions with Commission staff, but the request from MRMIB was not previously agendaized for Commission action. It is scheduled for the January 26 meeting. The Commission has requested that Executive Director make a presentation requesting a grant for the current year.

The document on the State Budget Update is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_5_Govs_Budget_Highlights_MRMIB_2011-12.pdf

EXTERNAL AFFAIRS UPDATE

Ms. Esajian reported that, over the last 30 days, MRMIB had contacts from only three print and one web-based publication outlet. The bulk of the media activity over the last 30 days came in response to two news releases staff sent out to announce the appointment of MRMIB's new Executive Director, Janette Casillas, and to announce the public launch of the Health-e-App for consumer usage online. Quite a bit of media was generated from those two news releases; the coverage is attached for the Board's review.

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

Chairman Allenby also introduced the Board's new Executive Director, Janette Casillas.

The document for the External Affairs Update is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_item_6_Media_Report_Jan_Board_Mtg.pdf

STATE LEGISLATION

John Symkowick, Legislative Coordinator, reported on several bills. He highlighted two bills of particular interest to the Board because of their potential to affect MRMIB programs.

AB 43 (Monning) would conform Medi-Cal eligibility requirements to the Medicaid expansions provided in the Affordable Care Act. In addition to expanding eligibility for other adult populations, the expansion would change the income eligibility level for children ages 6 to 18 from 100 percent to 133 percent of the federal poverty level and therefore would change HFP eligibility standards as well.

SB 36 (Simitian, sponsored by San Mateo County) would allow counties participating in the County Health Initiative Matching Fund (California Children's Health Insurance Program, CCHIP) to expand eligibility to children in families with incomes up to 400 percent of the federal poverty level. An identical bill, SB 1431, also authored by Sen. Simitian, was passed by the Legislature last year but vetoed by Governor Schwarzenegger.

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

The State Legislative Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_7_Legislative_Report.pdf

ADOPTION OF 2011 RULEMAKING CALENDAR

Chairman Allenby introduced Agenda Item 8, adoption of the Board's 2011 Rulemaking Calendar. A motion to approve the resolution included in Agenda Item eight was seconded. Chairman Allenby asked whether there was any discussion. The Board then unanimously passed the motion.

The 2011 Rulemaking Calendar can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_8_2011_Rulemaking_Calendar.pdf

PRE-EXISTING CONDITION INSURANCE PLAN (PCIP)

Enrollment Report

Willie Walton, PCIP Program Manager in the Enrollment and Eligibility Division, reported on Agenda Item 9.a.

At the end of December almost 1,100 subscribers were enrolled in the program, a 35 percent increase over November's enrollment. As of January 18, 2011, there are 1,214 currently enrolled in the PCIP. As of the end of December, 70 subscribers had taken advantage of the wellness credit incentive. Through November 2010, 16 of the 70 subscribers completed a comprehensive wellness exam. A total of 54 completed the comprehensive wellness exam in December. The member wellness incentive credits

earned by subscribers increased significantly during the month of December, with approximately six and a half percent of the total PCIP enrollment participating.

The majority of PCIP subscribers are Caucasian. Ethnicity continues to be fairly comparable to the ethnicity of subscribers enrolled in MRMIP. For the month of December, there were declines in the Asian and Pacific Islander, Latino and African American ethnic groups. However, there was a corresponding increase in subscribers who either did not identify their ethnicity or did not identify their ethnicity as Caucasian, Asian/Pacific Islander, African American or Native American. 43 percent of PCIP subscribers fall into the 30 to 49-year-old category, compared to 34 percent in MRMIP. Approximately 23 percent of PCIP subscribers are in the up-to-29-year-old age category. This is slightly higher than MRMIP, which has approximately 20.2 percent enrolled in this age category. Thus, PCIP appears to serve a slightly younger population.

The PCIP gender split is about 50/50. The MRMIP gender split is about 57/43 female to male. There were not significant changes to the spoken language of subscribers enrolled in the program. There was, however, an almost one percent increase in subscribers whose spoken language is Spanish.

The enrollment percentage in the top 10 counties shows no notable changes from last month's report. The administrative vendor processed almost 600 applications in December. Close to 20 percent of those applications were assisted by insurance agent/brokers. Forty-six of these agent brokers received a \$50 payment for assisting in the application completion.

For the month of December, there were more than 4,000 website hits. More than 800 applications were mailed out in December and 585 applications were received, close to a 10 percent increase over the previous month's applications. For the reporting month, the PCIP Call Center toll-free line received almost 3,400 calls.

Mr. Walton also discussed outreach efforts since the last Board meeting. The PCIP Facebook page was launched on December 7, 2011. Activity on this site will be monitored and reported to the Board.

In December and January, AARP published two articles promoting the California PCIP. MRMIB appreciates AARP's support. Staff believes some of the recent outreach efforts are having a positive impact on the program.

Preliminary January data shows that as of January 13, the PCIP Call Center has already received almost 2,100 calls and nearly 900 requests for PCIP applications.

Targeted outreach to various disease management organizations is in process. Staff plans a mass mailing in February to these groups to ask their assistance in promoting PCIP. Staff also plan targeted outreach to community-based organizations, hospitals and clinics during March and April.

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

Mr. Figueroa asked about the law that took effect January 1 concerning guarantee issue for children and said he would be interested to know, in the future, whether there are any children in PCIP or MRMIP. If children are in the program, they should be advised to participate in a special open enrollment now or be advised to move to the market in the month of their birthday. They can probably get a better deal and a wider variety of options in the private market than they could otherwise get.

Mr. Walton said that about 3.2 percent of PCIP subscribers are under the age of 18.

Jack Campana, Ex-Officio Board member, asked whether it was too early to make any assumptions about enrollment on a county-by-county basis to determine if any counties may need an incentive to enroll people and opined that the PCIP subscriber population should be reflective of a county's population.

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

The PCIP Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_9.a_PCIP_Board_Report_for_Dec_2010_FINAL.pdf

Administrative Vendor Performance Report

Mr. Walton reported on Agenda Item 9.b., the PCIP Administrative Vendor Performance Report.

Mr. Walton described the 16 performance standards on which the administrative vendor's performance is measured. These include 10 performance standards in the areas of application processing, eligibility determinations, eligibility appeals process and the PCIP toll-free line. There also are six quality and accuracy standards addressing accuracy of eligibility determinations, accuracy of adjudication of appeals, and accuracy of electronically generated and transmitted enrollment and payment files. The administrative vendor met or exceeded the performance and accuracy standards for the December reporting month.

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

Brian Warren, PCIP Benefits Manager, presented Agenda Item 9.b., the final portion of the Administrative Vendor Performance Standards Report regarding independent external review. The measures are all indicated as "N/A" because there have been no requests for independent external review.

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

The PCIP Administrative Vendor Performance Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_9.b_PCIP_Adm_Vendor_2010-Dec-rev-d_1-12-11.pdf

Third Party Administrator Performance Report

Mr. Warren presented Agenda Item 9.c., the PCIP Third-Party Administrator (TPA) Performance Report. For the month of December, the TPA met or exceeded all performance standards.

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

The PCIP TPA Performance Report can be found at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_9.c_PCIP_TPA_Perf_Std_Report.pdf

Mr. Figueroa asked about the status of PCIP staff hiring. Ms. Casillas said all PCIP staff had been hired. Some positions were filled with existing staff. There are a few vacancies for which the MRMIB received approval to backfill.

Other PCIP Implementation Issues

Federal Contract Amendment for Optional Year and 2011 Revised Subscriber Premiums

Laura Rosenthal, MRMIB Chief Counsel, reported on Agenda Items 9.d.i. and 9.d.ii., the federal contract amendment for optional year and the 2011 revised subscriber premiums. MRMIB has executed an amendment with the Department of Health and Human Services to extend MRMIB's contract to administer PCIP through option year 2011. The federal contract and model contract are structured so that each additional calendar year requires an amendment. In addition, Ms. Rosenthal stated that MRMIB is exploring some premium modifications with HHS. These would potentially lower rates in many age groups and would not raise rates for any age groups. MRMIB is waiting to hear back from HHS and will move ahead if HHS approves.

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

Federal DHHS Policy Letter -- Portability of Coverage, Enrollee Notices, and Third Party Payments under the PCIP Program

Ernesto Sanchez, Deputy Director for Eligibility, Enrollment and Marketing, reported on two federal DHHS policy letters. The first letter addresses "The Portability of PCIP Coverage, Enrollee Notice Requirements, and Third-Party payments." It addresses a number of issues, including federal policies and procedures to facilitate movement of individuals between PCIP programs in different states. The second letter is addressed to Ryan White HIV Program grantees and responds to specific questions raised by grantees. HHS indicates that the program grantees may pay for the out-of-pocket PCIP costs for PCIP subscribers. It reiterates a monitoring stance toward third-party payments. The letter

also clarifies that persons receiving services at a Ryan White Clinic are not disqualified from being potentially eligible for the PCIP program, and individuals for whom Ryan White programs are paying insurance premiums would not be eligible for PCIP because of the requirement of six months without insurance.

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

The DHHS policy letters are located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_9.d.\(iii\)_Fed_D_HHS_Policy%20Letter.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_9.d.(iii)_Fed_D_HHS_Policy%20Letter.pdf)

Summary Plan Description Revisions

Mr. Warren reported on Agenda Item 9.d.iv., the Summary Plan Description (SPD) revisions. The 2011 revisions are in the final stage of approval with an anticipated effective date of February 1, 2011. There are no changes to the benefit structure of the plan and the only substantive change made was to add routine colonoscopies under what is covered as preventive care. The 2011 revisions also contain a number of minor changes intended to improve clarity and readability throughout the SPD.

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

Webinar for Agents and Brokers

Mr. Walton reported on Agenda Item 9.d.v., the webinar for agents and brokers. As part of PCIP outreach, PCIP reached another program milestone and piloted the "PCIP 101" live webinar for agents and brokers. The webinar was aired on January 12, 2011. An e-mail notification was sent to approximately 3,500 agent and brokers in December, and at least 110 agent and brokers registered. The webinar presented the program's rules and eligibility criteria, application process, required documentation and overview of PCIP summary of benefits. The pilot webinar slides have been posted on the PCIP.gov website and are available under the outreach materials tab for those who could not participate. A second webinar will be held in February.

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

Mr. Figueroa asked if agents who participated in the webinar received CE or continuing education credits. Mr. Walton said staff was currently reviewing that question. Mr. Figueroa said that may improve attendance. He noted that the California Department of Insurance is easy to work with in gaining CE credit approvals.

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

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment and Single Point of Entry Report

Darryl Lewis, Eligibility and Enrollment Manager, reported on Agenda Item 10.a, Healthy Families Program Enrollment and Single Point of Entry Report. As of the end of December more than 874,600 children were enrolled in the program and slightly more than 23,000 children are new subscribers. There are no notable changes to the percentage of subscribers in the top five counties and no significant changes to the subscriber demographic information. The vast majority of applicants, more than 91 percent of families, have English or Spanish as their spoken language. Single Point of Entry processed more than 22,800 applications and 25 percent of the applications were assisted by Certified Application Assistors (CAAs). A total 71 percent of applications received at the Single Point of Entry were forwarded to the Healthy Families Program.

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

The HFP Enrollment and Single Entry Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.a_HFP_Enrollment_Summary.pdf

Administrative Vendor Performance Report

Mr. Lewis reported that for Agenda Item 10.b, the HFP Administrative Vendor Performance Report, the administrative vendor continued to meet all 18 areas of performance, quality and accuracy standards.

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

The HFP Administrative Vendor Report is located at:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.b_HFP_Admin_Vendor_QA_2010-12.pdf

Health-e-App Public Access Update

Larry Lucero, Special Project Section Manager in the Eligibility Division, reported on Agenda Item 10.c, the Update on the Public Access project. The report follows a presentation Mr. Lucero made to the Board on August 10, 2010. The English language version of the Health-e-App public access on the internet was launched on December 20, 2010. Health-e-App was temporarily brought down on Friday, December 17, for the transition to the new platform. The new Health-e-App public access mechanism was made available to public users and to CAAs on the morning of December 20. There were no reported incidents or problems with the transition. Some of the pre-launch activities included creating a mechanism for CAAs to retrieve suspended applications that had not been completed at the time of the transition and a very aggressive process to notify CAAs of pending changes, including CAA blast newsletters, website updates, etc.

As of January 18, a total of 6,886 applications had been submitted on the new Health-e-App public access system. This includes public users, CAAs and “One-E-App” users. There have been 3,700 applications from public users, 2,500 applications from CAAs and more than 700 applications from “One-E-App.” It is also exciting to note that the electronic applications currently account for 46 percent of all applications received at the Single Point of Entry for the month of January 2011, including 5,700 paper applications and 4,900 electronic applications.

Historically speaking, for December of 2009, electronic applications amounted to 16.1 percent of the total. For the month of December 2010, total electronic applications numbered 21.1 percent. Activity continued during the holidays, with 19 applications submitted on Christmas Eve, 14 on Christmas Day, 42 on December 26. Additionally, there were 46 applications on New Year’s Eve, 41 on New Year’s Day, and 69 applications submitted the day after New Year’s, January 2.

These are all particularly encouraging numbers given the soft launch of the project with no public campaign at this time. Some of the next steps include the Spanish language launch, which is currently scheduled for the end of January 2011. Next steps will include the AER form and the add-a-person form in Spring of 2011, and the AIM program in early Summer of 2011.

Currently, Board reports are being reformatted, along with more detailed reports that will be posted on the MRMIB website. The staff is working with foundations on implementing an outreach campaign. Some public users’ comments have been very encouraging. Numerous CAAs have called to say that the new environment is more user-friendly than the previous Health-e-App environment and the calls continue to be positive. The help desk has received more calls from CAAs than public users. There have been no technological issues identified.

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

Ms. Casillas noted that public user access was the original intent for Health-e-App. Ms. Casillas noted that, as early as 1998, she worked on this project and that it has taken a long time to complete, but was worth waiting for.

Chairman Allenby and Mr. Figueroa concurred.

CHIP Reauthorization Act (CHIPRA) Implementation

Inter-Agency Agreement with Department of Health Care Services

Tony Lee of the Administrative Services Division, reported on Agenda Item 10.d.i, the Inter-Agency Agreement with the Department of Health Care Services. Mr. Lee noted, for the public, that the Board approved this inter-agency agreement between MRMIB and the Department of Health Care Services for the implementation and ongoing operation of the prospective payment system, as required by CHIPRA. This action was taken at the previous Board meeting in Executive Session.

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

Hearing none, he asked if there were any questions or comments from the audience. There were none.

Other Implementation Issues

Chairman Allenby asked if there were any other implementation issues. Ms. Casillas said there were not.

2009 Dental Quality Report

Shelley Rouillard, Deputy Director for Benefits and Quality Monitoring, presented the 2009 Dental Quality Report. She reported that Mary Watanabe, who developed the report, was unable to be present at the meeting.

Healthy Families Program dental plans overall are improving their performance in getting children in for prevention and for treatment of caries. However, performance overall is still much lower than desired. The report shows that dental EPOs consistently perform at higher levels than dental HMOs. Program averages for all measures increased in 2009, with several going up by several percentage points. The lowest performing plans in 2008, which were Health Net Dental and Western Dental, both showed significant improvement in 2009. Health Net Dental improved its score by more than 10 percentage points in six of the eight measures. Western Dental showed improvement in all measures and improved more than 5 percent in five of the eight measures.

Overall, six out of 10 children had a dental visit in 2009. Only four out of 10 children in Health Net Dental, compared to seven out of 10 in Delta Dental, had dental visits. This demonstrates the difference between the EPOs and the dental HMOs. Nearly seven out of ten children who were continuously enrolled in the same dental plan for three years received a dental service, indicating that the longer a child is continuously enrolled in a plan, the more likely the child is to get services. Half of the children enrolled received a preventive service, such as teeth cleaning, topical fluoride application, or counseling on nutrition and good oral hygiene. About two-thirds of the children enrolled in Delta Dental received a preventive service, compared to less than one-third in Health Net Dental.

Half of Healthy Families children received treatment for caries or a caries-preventive procedure. And 77 percent of children who had a filling in the prior year received a preventive service in the 2009 measurement year.

Highlights of demographic analyses in the report show that Asian/Pacific Islanders, particularly Chinese and Vietnamese speakers, received services at the highest rates. African Americans, English speakers and children who live in northern areas of the state tended to have the lowest rates of services. While national research shows that children in lower income families generally receive dental services at a lower rate, in Healthy Families the opposite is true. Children in the highest income category, between 201 to 250 percent of the federal poverty level, utilized fewer services than children from the lower income categories. These higher income families may be more likely to pay out-of-pocket if they find an access problem. However, these families also are paying more for premiums and co-pays and may not be able to take their children to a dentist as often because of these higher costs. Ms. Rouillard reminded the Board that the Benefits and Quality Monitoring Division is undertaking an oral health quality improvement project, funded by the California HealthCare Foundation. The Center for Health Care Strategies (CHCS) is a project

partner. The focus of the project is improving access to dental services, particularly for young children under age six. The staff is working with an advisory committee of national experts, as well as with the dental plans. The plans have had an enthusiastic and positive response to this project and are very engaged. The initiative will be launched with plans on February 9 in Sacramento at an all-day meeting.

The staff also plans to administer the Dental Consumer Assessment of Healthcare Providers and Systems (D-CAHPS) patient satisfaction survey in the Spring of 2011. The next report to the Board about dental quality for 2010 will include patient satisfaction data, as well as the dental performance measures.

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

Mr. Figueroa commented that last year at this time there was plan input that there were anomalies with this data. He asked whether the data was cleaned up enough that there is confidence in the findings. Ms. Rouillard said staff would wait to hear if dental plans had those comments again this year. Dental plans must have their data audited. Last year there were some systemic issues with a couple of the plans and the data did not come out the way it was supposed to. Those plans were allowed to submit revised data, which was reflected in the 2008 report.

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

The 2009 Dental Quality Report is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.g_2009_Dental_Quality_Report.pdf

First Viewing of 2011-12 Model Health and Dental Plan Contract Amendment Language

Ms. Casillas reported on Agenda Item 10.e, First Viewing of the 2011-2012 Model Health and Dental Plan Contract Amendment Language. Chairman Allenby asked when a new Chief Deputy would be named. Ms. Casillas said her intention was to appoint someone very soon.

Ms. Casillas stated that the agenda item comprises the first viewing of the model contracts. Ms. Casillas presented the dental contract first. She indicated that there were some new concepts in the proposed model contracts and that, staff would schedule meetings with HFP dental and health plans to solicit comments. Ms. Casillas reviewed the proposed changes, noting technical and substantive changes, including the new concept of minimum performance standards. Staff will come back to the Board with a recommended approach after discussion with the dental plans.

Ms. Casillas also presented the model health plan contracts, explaining technical and substantive changes. The model contract includes a section which asks the plans to provide support to families concerning mental health services; a new requirement to track and report to MRMIB the length of time from the date a subscriber was referred for plan-provided mental health services to the actual date that the services were provided; and a new requirement that plans work with the County Mental Health Department to coordinate inpatient care. The model contract amendment also takes a new approach to plan monitoring of subscriber copayments, in the interest of limiting refunds. Staff is waiting for

plan comments. The model contract also includes a new requirement that conforms to the dental contract provisions requiring a liaison between the health plan and the dental plan. Ms. Casillas also described other provisions of the model contract, including provisions concerning encounter and claims data; External Quality Review Organization (EQRO), potential modification of core quality measures; plan activity to increase awareness among providers of certain important health care indicators; behavioral health; and encouragement of routine pediatric dental care, early prevention and early oral hygiene.

Ms Casillas indicated that, staff would be reaching out to dental and health plans and would be setting up a phone call and go over all the changes and answer any questions.

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

The 2011-12 Model Health and Dental Plan Contract Amendment Language document is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.e.pdf

Recognition of High-Performing Plans on HEDIS

Ms. Rouillard said for the second time since she began working at MRMIB, plans are being recognized for their performance on HEDIS quality measures. Muhammad Nawaz, Research Manager, said that plans being recognized had high performance for 2008 and 2009, and also those plans that were most improved. This is an area which the Board asked staff to recognize most improved plans. There is also a special recognition for adolescent quality improvement efforts.

For superior performance in 2008 and 2009, six plans were honored: CalOptima, Contra Costa Health Plan, Kaiser Foundation Health Plan-North, Kaiser Foundation Health Plan-South, Health Plan of San Mateo and San Francisco Health Plan. Plans recognized as most improved were Community Health Group and the Southern California Kaiser Foundation Health Plan. Community Health Plan was provided with a special recognition for improving the quality of care for adolescents.

The Recognition of High-Performing Plans on HEDIS document is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.f_Recognition_of_High_Performing_Plans_on_HEDIS.pdf

Authorization to Contract with DataStat, Inc., for the 2011 Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey, Dental-CAHPS Survey and Young Adult Health Care Survey

It was moved and seconded that the Board adopt the resolution included in Agenda Item 10.h, authorizing the Board to contract with DataStat, Inc., for the 2011 Consumer Assessment of Healthcare Providers and Systems (CAHPS) Survey, the Dental-CAHPS Survey and the Young Adult Health Care Survey.

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

The Board voted unanimously to adopt the motion.

The Resolution is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_10.h_DataStat_Resolution.pdf

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Kathi Dobrinen, Contract Compliance and Marketing Manager, reported on Agenda Item 11.a., the Access for Infants and Mothers Enrollment report. In December, there were 908 new subscribers enrolled in the AIM program for a total of 7,008 subscribers. The majority of subscribers continue to be Latina. The percentage of enrollment in specific counties did not experience notable changes. Los Angeles, San Diego and Orange counties are the top three counties and represent about 48 percent of the enrolled AIM population. The health plan subscribers that are enrolled did not significantly change compared to last month.

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

The AIM Enrollment Report is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_11.a_AIM_Enrollment_Summary.pdf

Administrative Vendor Performance Report

Ms. Dobrinen reported that for Agenda Item 11.b, the administrative vendor continued to meet all of the seven areas of performance in quality and accuracy standards when 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. Hearing none, he asked if there were any questions or comments from the audience. There were none.

The AIM Administrative Vendor Performance Report can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_11.b_AIM_Admin_Vendor_Perf_December_2010_Summary.pdf

Financial Report

Amanda Evans, Financial Operations Manager in MRMIB's Administrative Division, reported on Agenda Item 11.c., the AIM Financial Report for the Perinatal Insurance Fund for the first quarter of the fiscal year 2010-11, ending September 30, 2010. The beginning balance on July 1, was \$7.3 million. The budgeted revenues for the full year will be \$50.5 million, for a total revenue of \$57.8 million. So far, first quarter actual expenditures have

been \$11 million, concluding on September 30, with a fund balance of \$46.7 million. Anticipated expenditures for the 2010-11 year are \$44.3, leaving a balance of \$2.4 million for potential expenditures for the year. Chairman Allenby and Mr. Figueroa commented that the budget was tight, but would conclude the year in the black.

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

The AIM Financial Report is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_11.c_AIM_Financial_Statement.pdf

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Darryl Lewis, Eligibility and Enrollment Manager, reported on Agenda Item 12.a., the MRMIP Enrollment Report. Enrollment level as of January 1, 2011, was 6,953 and the waiting list was 38. Demographics for subscribers remain comparable.

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

The MRMIP Enrollment Report is located at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_12.a_MRMIP_Enrollment_Summary.pdf

Update on Enrollment Cap and Waiting List

Mr. Lewis reported on Agenda Item 12.b, the MRMIP Enrollment Cap and Waiting List. The waiting list as of this week is at a total of 33.

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

The MRMIP Update on Enrollment Cap and Waiting List can be found at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_12.b_MRMIP_Enrollment_Cap_Waiting_List.pdf

Administrative Vendor Performance Report

Mr. Lewis reported on Agenda Item 12.c, the administrator vendor report. Performance standards for applications and cost center requirements continue to be met. As noted in the performance report, 5,048 calls were received.

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

The MRMIP Administrative Vendor Performance Report is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_12.c_MRMIP_Adm_Vendor_Perf_for_December_2010.pdf

Financial Report

Tony Lee, Administrative Services Division Manager, reported on Agenda Item 12.d., the MRMIP Financial Report. The beginning balance for this program on July 1, 2010, was \$21.7 million. Estimated revenues to be collected during this fiscal year are \$34.2 million. Actual expenditures through September 30, 2010, are \$5.3 million. Anticipated expenditures for the remainder of the fiscal year are \$46.2 million. The estimated fund balance as of June 30, 2011 is \$4.3 million. As noted, this fund balance will be used to fund the MRMIP and GIP (Guaranteed Issue Pilot Program) costs for the upcoming fiscal year.

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

The MRMIP Financial Report is available at:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011911/Agenda_Item_12.d_MRMIP_Financial_Statement.pdf

Chairman Allenby asked if there was any further business to come before the Board. Ms. Casillas said there was not. The meeting was adjourned at 1:03 p.m.