

**Managed Risk Medical Insurance Board
June 12, 2013, Public Session**

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

Ex Officio Members Present: Jack Campana, Chairman of the Healthy
Families Advisory Panel
Robert Ducay, Designee for California Health
and Human Services Agency

Staff Present: Janette Casillas, Executive Director
Teresa Krum, Chief Deputy Director
Laura Rosenthal, Chief Counsel, Legal
Tony Lee, Deputy Director, Administration
Ernesto Sanchez, Deputy Director, Eligibility,
Enrollment & Marketing
Jeanie Esajian, Deputy Director, Legislative &
External Affairs
Ellen Badley, Deputy Director, Benefits & Quality
Monitoring
Morgan Staines, Senior Staff Counsel, Legal
Jenny Phillips, Staff Counsel, Legal
Rebecca Dietzen, Senior Staff Counsel, Legal
Carmen Fisher, Staff Services Analyst, Legal
Loressa Hon, Manager, Administration
Jordan Espey, Manager, Legislative & External
Affairs
Larry Lucero, Manager, Eligibility, Enrollment &
Marketing
Naomi Almendarez, Benefits & Quality
Monitoring
Brent McInnis, Administration, IT
Valerie York, Acting Executive Assistant to the
Board and the Executive Director
Crissy Montgomery, Board Assistant

Also Present: Margaret Tatar, Chief, Managed Care Division,
California Department of Health Care Services

Public Comment: Elizabeth Abbott, Health Access
Hellan Roth-Dowden, Teachers for Healthy Kids
Ben Rubin, Children Now

Chairman Allenby called the meeting to order. The Board went into Executive Session and resumed public session at 11 a.m.

Chairman Allenby announced that this would be Richard Figueroa's last meeting as a Board member. He said Mr. Figueroa would be dearly missed and has been a great asset to the Board during his 10 years of service. He said Mr. Figueroa had a role in MRMIB's formation in the late 1980s and served as staff in the Legislative Analyst's Office, legislative committees, the Department of Insurance, MRMIB and the offices of two Governors. Chairman Allenby presented Mr. Figueroa with a plaque commemorating his service to the Board. The inscription on the plaque read "Champion for the uninsured. Thank you for 10 years of dedicated service to the Managed Risk Medical Insurance Board."

Mr. Figueroa said he was associated with the Board prior to its development, working on AB 60 in 1989, and later was one of the first six staff members to work for MRMIB. In addition to working directly for the Board and serving on the Board, Mr. Figueroa said he was associated with the board in a regulatory or oversight role or as staff without a break, since the Board began.

Mr. Figueroa described the Board as a model for providing public benefits and has served as a model for the rest of the state; he indicated that this is the same model adopted by the California Health Benefit Exchange and elsewhere in the nation and described MRMIB as a model for how state government should work. He described MRMIB's staff as "second to none" in terms of commitment to the program and stated that MRMIB staff has taken the philosophy of making government work and working as hard as they can until the work is done to leadership positions elsewhere, noting the familiar MRMIB motto: "Once a MIBBER, always a MIBBER."

Mr. Figueroa said he is very proud of his 24-year association with the Board and will miss his involvement very much. He thanked members of the Board for their service and staff members for their hard work and support.

REVIEW AND APPROVAL OF MAY 29, 2013 PUBLIC SESSION

Mr. Allenby stated that the minutes of the May 29, 2013 meeting would be presented at the July Board meeting.

STATE BUDGET UPDATE

Tony Lee reported on Agenda Item 4, the State Budget Update. On June 3, the Budget Conference Committee approved the Governor's May Revise proposal to renew the Managed Care Organization or MCO tax. Revenues collected for the current year will be shared between Medi-Cal and the Healthy Families Program. HFP is estimated to receive approximately \$128 million for the current fiscal year. The trailer bill language also provides General Fund loan authority to MRMIB for HFP costs until the MCO tax is collected. However, the loan amount may not exceed \$125 million.

For the 2013-14 fiscal year, the MCO tax would go to the Department of Health Care Services to offset about \$343 million in General Fund expenditures for Medi-Cal Managed Care rates for children, seniors and persons with disabilities, as well as dual eligibles. The proposal, adopted by the Conference Committee, did not have a sunset date, unlike the proposal adopted by the Assembly and the Senate Budget Subcommittees earlier.

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

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

Update on Staff Transition

Janette Casillas reported on Agenda Item 5.a, the Update on Staff Transition. She reminded the board of the previous transition of 20 staff positions, half of which were vacant, to DHCS. MRMIB has submitted an assessment of the number of positions that can be transitioned to DHCS, with recommendations, to California Health and Human Services Agency and shared this assessment with DHCS. She said MRMIB is proposing transitions of staff in different time frames. MRMIB's analysis determined that, of the original HFP-funded positions, approximately 13 would be needed to continue administering Access for Infants and Mothers, the Major Risk Medical Insurance Program and the Children's Health Initiative Matching Fund program.

Update on Children Transitioned to the Medi-Cal Program

Ms. Casillas reported on Agenda Item 5.b, the Update on Children Transitioned to the Medi-Cal Program. She indicated that, since no children had transitioned since the last Board meeting, there was no update on transitioned children. The next group to transition will be Phase 3 on August 1; this will include AIM-linked infants who met or meet the criteria for Phases 1, 2 and 3.

Call Center Report

Ms. Casillas reported on Agenda Item 5.c, the Call Center Report. She stated that the Call Center Report in the Board packet was provided for the Board's information only. She explained that, as HFP enrollment declines, incoming call volume declines.

The Call Center Report can be located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_5.c_HFP_Call_Center_Report_6-10-13.pdf

Transition versus Disenrollment Statistics

Ms. Casillas reported on Agenda Item 5.d, the Transition versus Disenrollment Statistics chart. She indicated that, since no transitions occurred in June, the chart reflects only normal disenrollments.

The Transition versus Disenrollment Statistics chart is found here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_5.d_HF_P_Transition_vs_Disenrollment_Stats.pdf

Updated Schedule of Subscriber Notices

Ms. Casillas stated that this item, 5.e, was taken off the agenda because there were no changes to the document since the May Board meeting.

Department of Health Care Services' April 2013 Survey of Phase 1B Transitioned Children

Ms. Casillas reported on Agenda Item 5.f, the Department of Health Care Services April 2013 Survey of Phase 1B Transitioned Children.

She noted that Medi-Cal learned some lessons from the Phase 1A survey group. For example, in the survey of the group transitioned in Phase 1A, many phone calls were made between 8:00 a.m. and 5:00 p.m., when no one was home. From this experience, DHCS realized that the HFP population works, so DHCS extended the phone hours for the Phase 1B group until 8:00 p.m., which resulted in a much better response rate.

DHCS's survey method was a random selection of 400 families for every 5,000 children transitioned. Individuals conducting the survey made five attempts to reach a particular family in a given week. The survey supported all 13 Medi-Cal languages, so the individuals making the calls were equipped to respond to any language needs.

The Phase 1A survey had a response rate of approximately 3.5 percent, 349 families reached out of 10,000 phone calls. For Phase 1B, the response rate increased as a result of extending survey hours to 8:00 p.m. The response rate for the Phase 1B survey was approximately 11.4 percent, 470 families out of 4,137 called.

Ms. Casillas noted that, even with these improvements, for 73 percent of the 4,137 families called (3,005 calls), the call went unanswered, the phone number was disconnected or the number called was the wrong number. This means that survey results were based on only 1,132 families reached. Chairman Allenby said the response rate was weak. Ms. Casillas said that this makes it difficult to draw conclusions and it may not be a statistically valid sample from which to draw conclusions. She also noted that the survey was requested or required by CMS. She said a random sample was understandable for the sake of objectivity, but perhaps a targeted survey pool would have been the better choice in order to determine impact on the transitioned subscribers. For example, in surveying mental health or dental services, subscribers with a history of using those services could be surveyed for their experience.

Ms. Casillas recommended use of a larger survey group, possibly one that is more targeted to the type of the services the survey is attempting to measure. She

recommended that DHCS consult with the HFP Advisory Panel on the survey design and the questions asked, indicating that Panel members have a great deal of expertise in this area. She also indicated that the Panel discussed the Phase 1A survey results and offered strong recommendations on how the survey was conducted, the hours during which it was conducted and the questions asked. Additionally, the Panel recommended use of a more sophisticated survey process, like CAHPS (Consumer Assessment of Healthcare Providers and Systems) or DCAHPS (Dental Consumer Assessment of Healthcare Providers and Systems). She expressed appreciation for DHCS's early attempt to make some sense of how the transition was working but indicated that, unfortunately, reaching 27 percent or 1,132 respondents does not provide much information. Chairman Allenby concurred.

The Department of Health Care Services' March 2013 Survey of Phase 1A Transitioned Children is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_5.f_DHCS_April_2013_Survey_of_1BTransitioned_Children.pdf

Questions and Answers with Department of Health Care Services Representative

For Agenda Item 5.g, Margaret Tatar of the Department of Health Care Services was present to respond to questions. She thanked the Board for the survey overview and the recognition by Ms. Casillas that DHCS learned from the first survey. She stated that DHCS wants to ensure that good information and data are being collected to determine how transitioned children are being served. She said that she will take her notes she took on recommendations made back to DHCS to try to make improvements. DHCS very much appreciated the recommendations and the recommendations led to the extended survey hours in order to cast a wider net and reach people at appropriate times.

Chairman Allenby asked if there were any questions or comments from the Board. Jack Campana said he was pleased with the additional languages and extended survey hours. He suggested that the survey document include a statement that the response represents those who answered the question, in order to ensure there is no misinterpretation. Results can show 1 percent, 10 percent or 5 percent. However, this represents only those who responded. Making this notation ensures that readers understand that the results are not significant statistically and that this is not weighted data representing the whole group. Ms. Tatar said DHCS would make it clear on all charts and surveys that this represents those who responded and additionally, would footnote the percentages where possible.

Mr. Campana said that, if responses represented a significant percentage, for example, in the range of 65-76 percent from his past experience, then it could be specified that the responses were statistically significant.

Chairman Allenby asked if there were any additional issues.

Mr. Figueroa asked whether the plans involved in the Phase 1B group were the same in both HFP and Medi-Cal. Ms. Casillas said that this was correct. He asked whether the providers and networks were different in Phases 2 and 3, and noted

that Kaiser was a different situation. Ms. Casillas said that this was correct and that Phases 1A, 1B and 1C were from the same plan in HFP to Medi-Cal.

Ms. Casillas said that doing the surveys early may mean respondents do not know yet whether the transition worked for them, but the survey represented a desire and commitment to see what is happening. She indicated that it is important to survey subscribers with the experiences being sought, for example, dental, mental health or medical services.

Ms. Casillas stated that Dr. Paul Phinney, a pediatrician, California Medical Association President and a new HFP Advisory Panel member, indicated that questions about individuals seeing their primary care provider or seeing a doctor may not necessarily be relevant because, while the child was in HFP, he or she may have received all immunizations, annual checkups, and so forth, and may not have required a doctor visit.

Mr. Campana said that three staff members from DHCS were at the Advisory Panel's recent meeting and obtained the Panel's feedback.

Mr. Figueroa said that, even though the level of response was not statistically significant, he was pleased there were not a lot of respondents who said they could not get access to services. However, he said these results may reflect the best circumstances because the transition was plan to plan, in which it would be hoped the child had the same doctor. He said that the later phases may become more difficult and that it will then be apparent how good the transition was for these children. Ms. Casillas said more disruption would be expected in Phases 3 and 4.

Chairman Allenby asked whether there were any further questions or comments from the Board or the audience. Beth Abbott complimented DHCS for undertaking the survey in 13 languages. However, she expressed concern about the later transition phases because they are much less aligned. As time goes by, what is learned from those surveys will be more difficult to implement with just a month or two until the next transition. She said that the regular public reporting provided by MRMIB staff to the Board and the public offers an opportunity for interaction and questions, and she especially noted the HFP Advisory Panel. Ms. Abbott said that, in attempting to transition the Panel to DHCS, she hoped for a robust implementation as DHCS does not have a tradition of public disclosure, consumer advocacy and public feedback, which are hallmarks of MRMIB.

Ms. Abbott encouraged DHCS to take on this mantle of transparency and make it even better and more frequent, and that this could be the advantage of having all the children in one program. She pointed to the possibility of consolidating reporting, sharing and transparency and encouraged DHCS to evaluate and expand on what had already been done. She indicated that DHCS has a lot to coordinate and indicated a desire to see Medi-Cal succeed just as she wanted HFP to succeed.

Hellan Roth-Dowden said that Teachers for Healthy Kids conducted a survey through a CHIPRA grant in conjunction with MRMIB. She indicated that Clarissa

Sims-Poole of DHCS attended two of the school-based meetings, one of which offered an opportunity to hear from parents. Comments were focused less on accessing services and more on the problem of getting BIC cards that did not match the child's MRMIB number, a situation that caused confusion at the doctor's office. She described the problems voiced by parents as mainly administrative and alignment problems between the counties and the state because the counties were not getting the data in a timely manner from the state.

Ms. Dowden stated that the last of these meetings had a large Asian population in attendance. Some spoke about frustrations with the transfer, stating that their children had a specialty dentist under Managed Care, but, because the plans changed in Sacramento County, their children could no longer see the specialty dentist under the other health plan that had taken over.

Ms. Roth-Dowden said reports from Southern California indicate that former HFP families are not signing up for Medi-Cal. She said there are rumors to the effect that, in some counties, if families apply for CalWORKs, the district attorney will send a representative to the family's home. Because some people think that CalWORKS is the same as Medi-Cal, they are very concerned about having welfare fraud investigators sent to their homes. The result is a decline in the number of families contacted through the schools that are applying for Medi-Cal. She said Teachers for Healthy Kids is trying to develop a strategy to encourage these parents to apply for Medi-Cal. The group also is telling these families that their child can stay in Medi-Cal until they are 21, and also educating them about some of the benefits that will be available under the Affordable Care Act.

She said that many families are resigned to a more difficult situation in working through the counties for health care for their children rather than being able to make one phone call directly to MRMIB.

Ben Rubin testified that California Children's Health Coalition remains deeply concerned about the ongoing continuity of care issues. With respect to the beneficiary survey, he said Children Now was pleased that DHCS has been responsive to feedback and has made positive changes between the Phase 1A and Phase 1B surveys. He said it was very positive that future surveys may target areas of need and populations where problems may be anticipated. He said there is still concern that the monitoring reports do not reflect surfacing problems. He said it was unknown whether conversations were taking place between the Board and DHCS regarding possibly delaying the transition for specific individuals who might encounter continuity of care problems that have arisen in earlier transition phases.

Ms. Casillas said she was unaware of delays of any subgroups or phases. Only Phases 3 and 4 remain and she said she was unaware of any need for delays. Ms. Casillas said she was aware that a question had been raised regarding the continuity of care issue, but no one had addressed the issue with MRMIB. Ms. Tatar said that was true of DHCS as well.

EXTERNAL AFFAIRS UPDATE

Jeanie Esajian reported on Agenda Item 6, the External Affairs Update. Media coverage since the last Board meeting focused on the budget shortfall in HFP, autism services for children transitioned from HFP and both the HFP and the PCIP transitions. She stated that media coverage continues as a result of a news release issued prior to the last Board meeting, which took place May 20. She indicated that the Board packets included representative samples of the coverage.

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_061213/Agenda_Item_6_Media_Report.pdf

STATE LEGISLATION

Jordan Espey reported on Agenda Item 7, the State Legislation report. He stated that no bills were added to the report since the last meeting. Two bills were amended since the last meeting, and were noted in the report.

ABX1-1, the Special Session Medi-Cal expansion bill, was amended to include language regarding the electronic verification of state residency and some updates intended to further streamline the application process. SBX1-1 was amended since the State Legislation report was written and is now identical to ABX1-1.

Mr. Espey stated that a number of bills failed to meet various deadlines and are now two-year bills. A section was added to the report on pages 5 and 7 for those bills, and they are also identified as a two-year bill under "status".

Mr. Espey explained that, the day before the Board meeting, the Assembly Health Committee considered three bills noted in the report presented to the Board. Two of them, SBX1-1 and SB 126, were passed out to the Assembly Appropriations Committee. SBX1-3 passed as amended to the Appropriations Committee and that staff will evaluate those amendments once they are published. In addition, AB 505 and ABX1-1 were scheduled to be heard by the Senate Health Committee the afternoon of the Board meeting.

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

The document for State Legislation is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_7_Legislative_Summary_6-12-2013.pdf

PRE-EXISTING CONDITION INSURANCE PLAN (PCIP) UPDATE

Transition of California PCIP Subscribers to Federally-Administered PCIP

Ms. Casillas reported on Agenda Item 8.a, the Transition of California PCIP Subscribers to the federally-administered PCIP. She said most of the materials in the Board packet are informational, for the Board and the public.

She indicated that Agenda Item 8.a.i is a copy of the approved call center scripts Maximus is using to respond to subscriber questions.

Agenda Item 8.a.ii through 8.a.v are documents provided to MRMIB by CMS. These include the federally-run PCIP welcome letter, the federally-run PCIP Enrollment Letter, the federally-run PCIP Benefits Summary and a packet of specific authorizations for the federally-run PCIP.

Ms. Casillas explained that Agenda Item 8.a.vi is the Update on Transition of California PCIP Subscribers to the federally-run PCIP. This document provides a list of all activities undertaken to date by MRMIB staff to notify the public and subscribers of the change that will occur on July 1. Activities and work products included call center activity, website changes, notices, PSAs, handbook errata, call center training for the administrative vendor and third-party administrator, updated reinstatement letters, Facebook and Twitter communications and coordination with CMS concerning subscribers who are in dialysis treatment. MRMIB will provide a list of subscribers expected to be hospitalized on July 1 to CMS, as well as a list of subscribers in long-term care facilities, pending a transplant and receiving specialty drugs that are already authorized.

She stated that Agenda Item 8.a.vii is a list of the calls being received from subscribers specifically about the transition and does not reflect all calls made to the PCIP call center. Calls spiked around the time of the first notice to subscribers on May 23, and again on May 28 and 29, declined a bit on May 30, and dropped off after May 31.

Ms. Casillas indicated that some of the questions being asked by subscribers calling in to both the third party administrator and administrative vendor call centers concerned billing statements, balances due, timing of correspondence from CMS, questions about whether MRMIB's partnership with the state Office of AIDS would continue, continuity of care, preauthorized procedures, changes in coverage and premiums, whether out-of-pocket expenses already paid would be honored in the federally-run PCIP and when refunds would be issued.

Ms. Casillas explained that one lesson learned resulted from receiving a volume of calls, from subscribers and legislative staff at the Capitol and district offices, about the differences in the benefit structure and cost sharing for subscribers in the federally-run PCIP. Those subscribers will be subject to one-half of the annual medical deductible or \$1,000 as they transition to the federally-run PCIP.

Additionally, what was not fully explained was that the medical deductible in the federally-run PCIP is actually \$2,000, but was halved as a concession since the

transition was taking place halfway through the year. Ms. Casillas said that she has explained this to Legislative staff members.

Mr. Figueroa said that, while he appreciated all the updates and copies of documents, he has not seen a document informing subscribers about the provider network. He asked how people would know whether their doctors are participating in the provider network.

Ms. Casillas said that PCIP subscribers can continue to see their doctors if the doctors are willing to accept Medicare levels of reimbursement. There is no website to reference for this information. It is an open door for a provider to either accept or not accept Medicare levels of reimbursement. However, a provider who accepts this reimbursement cannot balance bill the patient.

Mr. Figueroa said that, without a reference document of some type, it will be difficult for these subscribers or their caretakers to understand what doctors they can see. Ms. Casillas said MRMIB staff has raised this issue with CMS, but, to date, no document or website has been provided. Mr. Figueroa said he has been approached by subscribers regarding this issue and does not know what to tell them. Ms. Casillas said staff is advising subscribers to contact their providers and to call the CMS call center.

Mr. Figueroa said that, without any type of document from CMS, it will be difficult for patients to ask their doctors to continue to see them and also not balance bill them. Ms. Casillas said staff has raised these concerns. She indicated that a phone call was scheduled for the day after the Board meeting and that this issue would be added to the agenda. Mr. Figueroa said it was only fair to provide subscribers with information to help them interact with their provider in this new circumstance regarding balanced billing. Chairman Allenby said he agreed.

Sam Garrison asked whether, if California PCIP subscribers receive poor customer service from the federally-run PCIP call center and call California's PCIP call center again, staff will record this information and relay it to CMS. Ms. Casillas said California has been trying to conduct "warm transfers" from its administrative vendor and third party administrator to CMS. However, she said CMS doesn't work the way the state does, where a dissatisfied subscriber can call MRMIB directly. MRMIB staff has been encouraged to refer callers to the CMS contractor. Ms. Casillas said she was not aware of such a situation, but if it did arise and subscribers had to call MRMIB back due to poor customer service through the federal call center, this would be raised with CMS.

Mr. Garrison said he would like staff to provide feedback to CMS if such incidents occur. Ms. Casillas said that the issue can be kept on the agenda of weekly phone calls with CMS during the transition. Even after the transition is completed, there will be post-transition phone calls on a regular schedule, followed by phase-out activities.

She said MRMIB has received numerous letters of concern and complaints regarding the transition. Staff developed a written response to these inquiries, and the written response was reviewed and approved by CMS. For the written

response, CMS instructed MRMIB to refer these subscribers to the toll-free numbers for the federally-run PCIP.

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

The documents on the Transition of California PCIP Subscribers to Federally-Administered PCIP are all located here:

http://www.mrmib.ca.gov/MRMIB/agenda_item8aJune12_13.html

Enrollment Report

Ernesto Sanchez reported on Agenda Item 8.b, the PCIP Enrollment Report.

Program enrollment at the end of May was just under 16,500. More than 23,000 Californians have been served since program inception. There were no major changes in program demographics. Since suspension of new enrollments, approximately 32 percent of applicants have agreed to have their applications forwarded to the Major Risk Medical Insurance Program. Approximately 30 percent of applicants have declined to have their applications forwarded, and the administrative vendor is waiting for answers from 38 percent about whether to forward their applications to MRMIP.

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

The PCIP Enrollment Report is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_8.b.PCI_P_Enrollment_Report.pdf

Administrative Vendor Performance Report

Mr. Sanchez reported on Agenda Item 8.c, the PCIP Administrative Vendor Performance Report. The administrative vendor met all performance standards for processing applications, notifications, eligibility determinations and the toll-free line, as well as all quality and accuracy standards for screenings of eligibility determinations and applications, accuracy of appeals adjudications and accuracy of transmissions to plans. There were no benefit appeals during this reporting period.

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 here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_8.c.pdf

Third Party Administrator Performance Report

Ellen Badley reported on Agenda Item 8.d, the Performance Report for the Third-Party Administrator for May of 2013. The third party administrator met all standards

for medical and pharmacy claims processing except for clean claims processed within 30 days. Four claims were sent to Stratos, a subcontractor that conducts claims pricing review for out-of-network and large dollar claims. The third party administrator met all standards for subscriber healthcare services appeals. There were three appeals and 11 complaints from subscribers during the month. The third party administrator met all standards for customer service. A total of 118 packets were sent to subscribers. She explained that, with the transition of subscribers July 1, this function will cease.

There were two requests for external review and there were no requests for administrative hearings.

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 here:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_8.d_TP_A_Performance_Report.pdf

Other Program Updates

No Other Program Updates were presented to the Board.

MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE

Enrollment Report

Larry Lucero presented Agenda Item 9.a, the MRMIP Enrollment Report. There were 385 new subscribers enrolled in May, up from 326 last month. Total current enrollment is 6,295. Effective June 1, the MRMIP enrollment cap will be raised from 7,000 to 7,500. The number of applications, 396, is down from the 594 received last month. There were no significant changes in the enrollment by plan or county, or the demographics of subscribers.

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

The MRMIP Enrollment Report is located here:
http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_9.a.pdf

Administrative Vendor Performance Report

Mr. Lucero reported on Agenda Item 9.b, the MRMIP Administrative Vendor Performance Report. The administrative vendor met or exceeded all performance standards for May 2013.

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 here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_9.b._MRMIP_Administrative_Vendor_Performance_Report.doc.pdf

Other Program Updates

No Other Program Updates were presented to the Board.

HEALTHCARE REFORM UNDER THE AFFORDABLE CARE ACT

Ms. Casillas reported on Agenda Item 10, Healthcare Reform Under the Affordable Care Act. She presented the Board with a high-level summary comparing the health plans contracted through Covered California with those offered in HFP, Medi-Cal and MRMIP. Covered California has contracted with 13 plans and HFP contracted with 20. Blue Shield has contracted with Covered California and was previously an HFP plan. Covered California also has contracted with the Chinese Community Health Plan and Sharp Health Plan, which were previously offered through the Access for Infants and Mothers program.

Ms. Casillas said that Covered California also contracted with Valley Health Plan and Western Health Advantage. She noted that not all of these plans are available in every county. Mr. Garrison asked if these were primary contracts or subcontracts. Ms. Casillas said they were all primary contracts.

The document on Healthcare Reform Under the Affordable Care Act is found here: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_10_Health_Plans_Comparison_Charts.pdf

HEALTHY FAMILIES PROGRAM (HFP) UPDATE

Enrollment Report

Mr. Sanchez reported on Agenda Item 11.a, the HFP Enrollment Report. Enrollment at the end of May was 156,227. There were 213 new enrollees, AIM-linked infants who were automatically enrolled. There were no major changes in subscriber ethnicity and demographics, or in the five top counties of enrollment. The report also included enrollment by plans and disenrollment. Unavoidable disenrollments for the 1931(b) screening represented a large group, as well as avoidable disenrollments due to nonpayment. There were slightly fewer than 11,000 disenrollments in May. There were transition-related disenrollments at the beginning of the month but none at the end of the month.

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

The HFP Enrollment Report is located here: http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_11.a._HFP_Enrollment_Report.pdf

Administrative Vendor Performance Report

Mr. Sanchez reported on Agenda Item 11.b, the HFP Administrative Vendor Performance Report. The administrative vendor met all performance standards for processing program review, data transmissions, and the customer line, as well as all accuracy and quality standards.

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

The HFP Administrative Vendor Performance Report is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_11.b._HFP_Administrative_Vendor_Performance_Report.pdf

Advisory Panel Update

Jack Campana reported on Agenda Item 11.c, the Advisory Panel Update. At the Panel's last meeting two weeks ago, the Panel reviewed data available from DHCS. Panel members were pleased that five DHCS staff members were present at the meeting.

The major issue the Panel discussed was the transition of the Advisory Panel to Medi-Cal. Mr. Campana said this item also will be discussed at the Panel's next meeting. He said Panel members understood that the HFP Panel, which was established 12 years ago, is the only committee or panel within DHCS that is required by statute.

Future Role of the Advisory Panel

Mr. Campana reported on Agenda Item 11.d, the Future Role of the Advisory Panel. He said discussions of the transition center around the Panel's role, DHCS' expectations, to whom the Panel will report and how frequently the group will meet. He said Panel members discussed whether it would advise DHCS on the Children's Medi-Cal Program, which would include all children under Medi-Cal, or only the transitioned HFP children. The Panel plans to have a draft prepared for discussion at the next meeting in August, and is also seeking input from the Board for recommendations to DHCS. He said it was his hope that the different advocacy groups and people in the audience would attend the Panel's August meeting. He said Panel members are also discussing the level to which they should report within DHCS in order to be meaningful.

Mr. Campana described his 11 years on the Panel as productive and meaningful. He said Panel members contributed to staff's work by volunteering on different review groups and sharing what they had learned from their communities. Three subscriber representatives serve on the Panel, one with a special needs child, and these participants have been invaluable to HFP. He indicated that he expected they would be invaluable to Medi-Cal as well.

Chairman Allenby suggested that the Advisory Panel look at all children, not just Healthy Families children, because a child is a child. They have the same benefits, so there is no reason not to do that.

Mr. Figueroa asked what the law says about the transition of the Panel. Laura Rosenthal said that the Board packet included a document showing the provision of the HFP statute establishing the Panel as well as the language from the transition statute concerning the Panel, where transition of the panel was part of the transition and the transition plan. Mr. Figueroa noted that although the law says the Panel is to transition at a time certain, it does not establish the time or discuss the Panel's role at DHCS. Ms. Casillas said that this was correct.

Mr. Figueroa stated that DHCS would have to voluntarily adopt an approach or subsequent statute would be needed to further solidify the Panel's activities. Ms. Casillas said that this was correct.

Ms. Casillas said a discussion at the last Advisory Panel meeting focused on development of a document to be presented to DHCS Director Toby Douglas that would contain recommendations on the Panel's future role, how frequently it should meet and the value it could provide to DHCS. She said the Board's and public's insights, at this meeting, on the Panel's added value would be incorporated into the Panel's letter to Mr. Douglas

Chairman Allenby said the Panel has demonstrated added value as the Board has acted in response to Panel suggestions over the years. He said it was valuable to the Board and staff because of Ms. Casillas' presence at all the meetings and because Mr. Campana brings the Panel's recommendations to the Board.

Mr. Figueroa noted the history of input provided by the Panel in such areas as mental health, substance abuse and HFP's teenage subscribers, and noted that many issues that come to the Board have already been vetted through the Advisory Panel because of staff's role with the Panel.

Mr. Campana said that the Panel also will need input from DHCS because it will be new to DHCS and the Panel needs to know the Department's expectations. Ms. Casillas said initial conversations among Mr. Campana, René Mollow and Ms. Casillas regarding the Panel's future role have already begun. The ultimate decision-makers on these issues may be Ms. Mollow, Mr. Douglas, the federal government or legislative staff.

Ms. Casillas said MRMIB staff would like to ensure a solid hand-off of the Advisory Panel, with lessons learned and value added. A classic example is the final HFP Mental Health Utilization Report. It was to be brought to the Board at this meeting, however, staff realized input was needed from Dr. William Arroyo, the Panel's mental health expert, and Liz Stanley-Salazar, the Panel's expert on substance abuse prevention, to obtain their insights on lessons learned and ongoing recommendations for MRMIB or DHCS.

She said that CMS has asked MRMIB staff to include this type of information in its reports so that other states exploring these issues learn from what MRMIB has

done and learned. Staff will present the Mental Health Report at the next Board meeting.

An additional example of the Panel's added value was its engagement in the dialog and review of the Medi-Cal Beneficiary Survey of Transition Group 1A. There were comments from Dr. Arroyo on the mental health side, from Dr. Paul Phinney on pediatrician visits, and from Dr. Forester on dental issues.

She indicated that DHCS can improve its systems, surveys, reports and analysis by getting input first from the Advisory Panel.

Mr. Campana said the Panel has had high expectations over the years in working with Ms. Casillas and MRMIB staff, and seeing MRMIB's evaluations and reports. He said he wanted to keep the relationship with DHCS at a high level. A draft plan of the Panel's recommendations will be presented to the Board at its August meeting and for public input. The draft will include recommendations about the number of meetings and to whom the Panel should report. He noted that the Panel should report to a major decision-maker within DHCS.

Mr. Figueroa said the mention of Dr. Phinney, who is president of the California Medical Association, underscores the fact that the Panel has always attracted very high quality members because MRMIB staff listens to Panel input and is willing to make changes based on Panel member recommendations.

Ms. Casillas noted that the Panel is unique both because its existence is mandated by statute and because it has subscriber representation. She said she was not aware of any other Medi-Cal stakeholder groups or managed care groups that have subscriber representation, which is a driving force on the Panel. Panel composition has been refined to include parents of children with special needs, which could include mental health services, CCS, and so forth. In fact, the Advisory Panel has discussed expanding representation because ABA services for children with autism is another area in which children have special needs; parents could participate in that forum to talk about what works and what does not work.

Ms. Casillas said that the discussion is wide open and indicated that she suggested to Panel members that they come forward with broad recommendations. Some recommendations will be adopted and some will not, but they should be made. Mr. Campana concurred.

Mr. Figueroa said he assumed statute would be needed to make the Panel's role and function more permanent.

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

The document concerning the Future Role of the Advisory Panel can be found here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_11.d.Future_Role_of_the_HFP_Advisory_Panel.pdf

2011 Retention Report

Mr. Sanchez reported on Agenda Item 11.e, the calendar year 2011 Retention Report. The report provides a one-year snapshot, which shows that retention in 2011 did not change from the one-year retention rate for 2010. The program retained 75 percent of the enrolled children during that calendar year.

Some reasons for possibly avoidable disenrollments included nonpayment of premium. Reasons for unavoidable disenrollments included applicant request, and children's aging -out or enrolling in Medi-Cal. The report also provided information on subscribers who were disenrolled during the annual eligibility review process, either because they did not return their AER packets or because they did not submit additional requested information.

The report also contains information on the 2001 NASHP Retention Study, which concluded that reporting mechanisms may over-report reasons for disenrollment because families do not choose to respond in a timely fashion when they have obtained new health coverage. Instead, they stop paying premiums or do not complete AER documents.

Additionally, the report includes historical one-year retention snapshots going back to 2001, with peak years around 2005 to 2007, followed by a fairly consistent period from 2009 through 2011. A long-term view is also provided and contains data from two different reports, which provides point-in-time information showing average retention findings and averaging information over all years since 1998. This shows a one-year average retention rate of 80 percent. The average retention rate after five years was approximately 51 percent, nearly 28 percent after 10 years, and nearly 12 percent after 14 years or since program inception. Chairman Allenby commented that this latter group of children must have started in the program at an early age. Mr. Sanchez said it also points to the fact that these families' incomes have been stable over a long period of time.

Of these children, Mr. Sanchez said approximately eight percent were continuously enrolled, 11 percent had a break in coverage of more than a year during which they may have qualified for other coverage such as employer-sponsored insurance or Medi-Cal, and 17 percent stayed in the program until turning age 19, the age at which eligibility ends.

The report provided average retention rates, showing a slightly higher rate in 2010, as well as statistics on the reasons for disenrollment. For 2011, predominant reasons for disenrollment were for non-payment (approximately 35 percent); requested disenrollment (10 percent), and failure to submit the AER (25 percent). Mr. Sanchez said these reasons have been fairly consistent over time, even with slight fluctuations over the years.

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

Mr. Figueroa said that, like many reports the Board was seeing, this would probably be the last of its kind. Mr. Sanchez said that was correct. Mr. Figueroa

said it should be assumed that these kinds of reports will be available for the long-term Medi-Cal population at some point. Mr. Campana said the Panel would try to accomplish that goal.

The HFP 2011 Retention Report is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_11.e_HFP_Retention_Report.pdf

Other Program Updates

No Other Program Updates were presented to the Board.

ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE

Enrollment Report

Mr. Lucero reported on Agenda Item 12.a, the AIM Enrollment Report. For May 2013, a total of 780 women were enrolled in AIM. This was an increase from the 764 women enrolled the previous month. Current total enrollment is 6,081, also an increase from the previous month. There were no significant changes in subscriber ethnicity or distribution by counties, and no significant changes in the enrollment by plans.

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 here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_12.a_AIM_Enrollment_Report.pdf

Administrative Vendor Performance Report

Mr. Lucero reported on Agenda Item 12.b, The AIM Administrative Vendor Performance Report. The administrative vendor met or exceeded all performance and quality accuracy performance standards for May of 2013.

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

The AIM Administrative Vendor Performance Report is located here:

http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_061213/Agenda_Item_12.b_AIM_Administrative_Vendor_Performance_Report.pdf

The meeting was adjourned at 12:17 p.m.