

**Managed Risk Medical Insurance Board  
January 18, 2012, Public Session**

Board Members Present: Cliff Allenby, Chairman  
Richard Figueroa  
Samuel Garrison  
Ellen Wu

Ex Officio Members Present: Mike Wilkening, Designee for the Secretary of the  
Health and Human Services Agency  
Jack Campana, Chairman of the Healthy Families  
Advisory Panel

Staff Present: Janette Casillas, Executive Director  
Terresa Krum, Chief Deputy Director  
Ellen Badley, Deputy Director, Benefits &  
Quality Monitoring  
Ernesto Sanchez, Deputy Director, Eligibility,  
Enrollment & Marketing  
Jeanie Esajian, Deputy Director, Legislative &  
External Affairs  
Laura Rosenthal, Chief Counsel, Legal  
Loressa Hon, Manager, Administration  
Tony Lee, Acting Deputy Director, Administration  
Seth Brunner, Senior Staff Counsel, Legal  
Jenny Phillips, Staff Counsel, Legal  
Koy Lee, Staff Services Analyst, Legal  
John Symkowick, Legislative Coordinator,  
Legislative & External Affairs  
Darryl Lewis, Manager, Eligibility  
Muhammad Nawaz, Manager, Benefits &  
Quality Monitoring  
Sarah Soto-Taylor, Manager, Eligibility  
Maria Angel, Executive Assistant to the Board and the  
Executive Director  
LaShante Smith, Board Assistant

Presenter: Stephen Halley, Acting Chief, Department of  
Health Care Services, Medi-Cal Benefits & Waiver  
Analysis

Public: Verne Brizendine, Director, State Programs, Blue  
Shield of California

Chairman Cliff Allenby called the meeting to order at 10:05 a.m. The Board went into Executive Session and resumed the public session at 11:32 a.m.

## **REVIEW AND APPROVAL OF MINUTES OF DECEMBER 19, 2011 PUBLIC SESSION**

The minutes of the December 19 meeting were approved as submitted.

The December 19, 2011, Public Session Minutes are located here:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_3%20\\_-Public\\_12-14-11\\_FINAL\\_Minutes.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_3%20_-Public_12-14-11_FINAL_Minutes.pdf)

## **FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY (Including Healthcare Reform & Budget)**

Jeanie Esajian reported on Agenda Item 4, Federal Budget, Legislation and Executive Branch Activity, including Healthcare Reform and the Budget.

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.

Board Member Richard Figueroa noted the recent newspaper article about Chairman Allenby and his many decades of devoted service to the people of California.

The documents on the Federal Budget, Legislation, et al., can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/agenda\\_item\\_4.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/agenda_item_4.pdf)

## **EXTERNAL AFFAIRS UPDATE**

Ms. Esajian reported on Agenda Item 5, the External Affairs Update. The last 30 days were very busy for news media coverage on the Pre-Existing Condition Insurance Plan (PCIP) and the Governor's Budget proposal regarding MRMIB. Ten reporters contacted MRMIB on these two issues. PCIP inquiries were on the topics of federal funding, PCIP enrollment and requests to interview subscribers. Ms. Esajian reminded the Board of last month's discussion in which she indicated that she was working with a major California newspaper on a PCIP story. That story was published on January 3 in the *Los Angeles Times* and included interviews with four California PCIP subscribers. This was followed by a substantial TV piece in which a California PCIP subscriber was interviewed on KNBC Channel 4 in Los Angeles. This piece aired on January the 5.

Coverage continued with a January 6 story with a funding focus in the *Sacramento Business Journal*. And finally, on January 14, a story published in the *Bakersfield Californian* featured a PCIP subscriber. During this same period, there was PCIP coverage in other parts of the state in smaller media, including the *Santa Cruz Sentinel* and the *Ventura County Star*.

Several of these stories were a breakthrough in getting the media interested in PCIP subscribers' stories, triggered by the initial *L.A. Times* piece. This was expected. More recently, there was increased interest in a December 16 news release on increased federal funding for California's 2012 PCIP allocation. Several reporters contacted MRMIB to ask about how this funding increase came about. Executive Director Janette Casillas had several very recent media interviews on this subject. These interviews will be included in next month's report. PCIP media outreach will continue with more expected for next month's Board report.

Yesterday, External Affairs also issued a news release which did not make the Board packets. Staff expects significant media attention on this release, the subject of which will be reported later in the meeting by the Eligibility, Enrollment and Marketing Division.

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 document on the External Affairs Update is located at:  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_5\\_MX-7001N\\_20120118\\_154825.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_5_MX-7001N_20120118_154825.pdf)

### **STATE BUDGET UPDATE**

Terresa Krum reported on Agenda Item 6, State Budget Update, with an overview of the 2012-13 Governor's Budget.

There are a number of significant budget assumptions and proposals related to the Healthy Families Program. The budget proposes to reduce the per member/per month rates paid to HFP health, dental and vision plans to the average combined Medi-Cal rate of \$76.86 effective October 1, 2012. This Medi-Cal combined rate has been stated to be the average amount paid for health, dental and vision services. HFP's comparable statewide average rate is \$103.44. The Administration projects that the proposed rate reduction would result in General Fund savings of approximately \$71 million in 2013.

The budget also proposes to transition HFP children to Medi-Cal, beginning October 1, 2012. Effective that date, any new HFP eligibles will transition directly or renew directly into Medi-Cal. The existing HFP enrollment would transfer in three phases: The first phase would take place October through December 2012. During this time, HFP children with a matching Medi-Cal Managed Care Plan would transition to Medi-Cal. The Administration anticipates that this would affect 410,666 children. Phase two would take place from January 1, 2013 through March 31, 2013. This group would be HFP children without a matching Medi-Cal Managed Care Plan. It is estimated that 424,103 children would be affected by this proposed transfer. The final phase would affect children and counties without a Medi-Cal managed Care Plan. A total of 43,090 children would be affected during this final phase of the proposed transition.

The Administration projects that this proposed transition would result in a General Fund savings in the amount of \$148.4 million in 1213. The budget also proposes two additional changes to reduce HFP expenditures. One is a premium increase effective October 1, 2012 for subscribers in HFP income categories B and C, by \$14 and \$18 respectively. This is projected to save approximately \$17.3 million General Funds in 1213. The other proposed change is a co-payment increase effective October 1, 2012, that would result in savings of \$5.6 million General Funds in 1213.

The budget also proposes to transfer the Access for Infants and Mothers Program, the Major Risk Medical Insurance Program, the Pre-Existing Condition Insurance Plan and the County Children's Health Initiative Matching Fund Program to the Department of Health Care Services effective July 1, 2013. MRMIB staff does not have specifics at this time regarding how these transfers would occur and when they would begin.

Ms. Krum discussed the budget's proposed enrollment levels by program, and noted that a difference this year over previous years is due to the proposed transfer of enrollment. Staff tried to show the projected HFP caseload if subscribers are not transferred. However, due to the proposed transition, the bottom line is that, under the proposal, HFP enrollment would be zero at the end of this fiscal year. The report also provides the typical budget split, showing the MRMIB budget by fund source, and then split into "state operations," which is basically the state and contract staff and "local assistance," which is plan and administrative vendor costs. Because of the proposed transition, the report depicts MRMIB's 2012-13 budget proposed by the Governor and MRMIB's budget both with and without the proposed transition.

Ms. Casillas noted that a representative from the Department of Health Care Services was present to address the Board and to answer the Board's questions regarding the Administration's proposal.

Steve Halley, DHCS, Acting Chief for the Benefits, Labor Analysis Division, said he was responsible for the entire transition of MRMIB's programs to DHCS.

Board Member Figueroa asked whether, since the Legislature last acted on this issue, DHCS has worked to match up the networks between Medi-Cal and Healthy Families so that the number of affected children is known. Board Member Figueroa noted that there is no matching health plan for more than half the affected children. He asked what Medi-Cal done to match networks between Medi-Cal and HFP for those children who do have the same plan. For example, he asked whether Health Net in HFP is the same as Health Net in Medi-Cal. Mr. Halley said that process has begun. He said DHCS needs MRMIB staff to provide better information to inform their analysis that is underway.

Board Member Figueroa also asked whether the Governor's proposal includes public oversight and transparency in Medi-Cal as the Board does for HFP in some form of replacement entity. Mr. Halley said stakeholder groups would be used and that trailer bill language requires stakeholder input as the transition moves forward. Board Member Figueroa said that his question was not specific to the transition,

but rather to overall oversight of Medi-Cal. Mr. Halley said the groups would be ongoing per the trailer bill language. However, he said there would not be a board, but individual stakeholders and stakeholder groups. Board Member Figueroa suggested that a more detailed conversation could occur at a later date, but concluded that what Mr. Halley described was nothing like MRMIB.

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

Verne Brizendine with Blue Shield of California said he was worried that it would be assumed Blue Shield was in agreement with this transition and implementation. Board Member Figueroa said it was still a proposal under discussion. Mr. Brizendine asked how much money was available for dental services, vision and health benefits and noted that Blue Shield was not a Medi-Cal health plan, so it would lose all its Healthy Families Program subscribers in the proposed transition. There are several counties in which Blue Shield is the only health plan, leaving those counties with only a fee-for-service Medi-Cal option. He said the proposal assumed a transition period for Blue Shield, with no “carrot” and a loss of millions of dollars. He indicated that he did not have authority to say Blue Shield has the commitment to do this.

Board Member Figueroa said a lot more analysis was needed on the language and numbers put forth in the trailer bill. He said he continues to have the same grave concerns that he and other Board members expressed last year regarding the proposal. He said Board members look forward to a more detailed analysis so they can take their normal thoughtful approach to responding and communicating concerns, as appropriate, to the Legislature. Board Member Figueroa said he hoped that, by this time next month, there would be more information. He said Mr. Brizendine relayed just a fraction of the questions that the Board needs to have answered to understand the proposal. This would allow the Board to deliberate on the appropriate venue for raising those concerns and on what those concerns are.

Ms. Casillas said the concerns raised by Mr. Brizendine reflect concerns and questions that MRMIB has concerning the Governor’s proposal and the associated budget savings. This proposal is different from the May Revision proposal of last year in that it directs or assumes that MRMIB will negotiate a rate reduction effective October 1. MRMIB staff has been asking for additional information from the Administration and DHCS about the benefits. HFP has a set of benefits that the federal government has approved and those are the benefits MRMIB will continue to provide in administering the program. It is important to make sure whatever HFP pays includes all those benefits and that the rate is comparable. Later in the agenda is a discussion of a model contract for the next benefit year as staff begins rate negotiations. Ms. Casillas indicated that the Board still has the responsibility to administer the Healthy Families Program until the law is changed. From that perspective, MRMIB will run two concurrent processes: the budget process and “business as usual” with rate negotiations.

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

The document on the State Budget Update can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_6\\_Governor%27s\\_Budget\\_Overview.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_6_Governor%27s_Budget_Overview.pdf)

## **STATE LEGISLATION**

John Symkowick presented Agenda Item 7, State Legislation Report. Staff continues to monitor several bills from 2011. AB 43, by Assembly Member Monning, would require the Department of Health Care Services to change Medi-Cal eligibility requirements to comply with the Affordable Care Act's Medicaid expansion that would change the income eligibility level for children ages 6 to 18 from 100 percent to 133 percent of the federal poverty level. Many of these children may be eligible for the Healthy Families Program. AB 714, by Assembly Member Atkins, would require public insurance programs, including MRMIB's programs, to notify individuals who cease to be enrolled in those programs that they may be eligible for the Exchange and would require these programs to transfer information to the Exchange in order to initiate eligibility determinations and enrollments. SB 677, by Senator Hernandez, would require the Department of Health Care Services to use Modified Adjusted Gross income for purposes of determining income eligibility for Medi-Cal, as required under the ACA. SB 703, also by Senator Hernandez, would require MRMIB to establish the Basic Health Program under the ACA.

Several more recently-amended or recently-introduced bills have been added to the report. Many of these relate to ACA implementation, including key health benefit requirements in the Exchange and guaranteed issue of healthcare coverage. These bills are identified by an asterisk in the report.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he 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\\_011812/Agenda\\_Item\\_7\\_State\\_Legislative\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_7_State_Legislative_Report.pdf)

## **ADOPTION OF THE 2012 RULEMAKING CALENDAR**

Chairman Allenby introduced Agenda Item 8, Adoption of the 2012 Rulemaking Calendar. The specific motion was to adopt the resolution included with Agenda item 8, approving the 2012 Rulemaking Calendar. The motion was adopted unanimously.

The Proposed Rulemaking Calendar for 2012 and accompanying Resolution are located here:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_8\\_2012\\_0118\\_163139\\_c1941fcccc4c.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_8_2012_0118_163139_c1941fcccc4c.pdf)

## **PRE-EXISTING CONDITION INSURANCE PLAN (PCIP) UPDATE**

### **Enrollment Report**

Sarah Soto-Taylor presented Agenda Item 9, the Enrollment Report. As of December 31, there were 6,672 individuals enrolled in the Pre-Existing Condition Insurance Plan, 844 of whom were new subscribers during the month of December. There were no significant changes in demographic information or application statistics from the prior month; a total of 57.1 percent of subscribers were white; just under 55 percent were female; and 80 percent were 30 to 64 years of age. Most subscribers speak English and most reside in Los Angeles. More than 1,100 applications were processed in December, nearly 72 percent without assistance.

Based on national enrollment statistics, as of November 30, 2011, California is the largest PCIP in the nation. At that time, the California program had 4,907 subscribers enrolled. The rankings of other states are also shown in the report.

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 the Centers for Medicare and Medicaid Services has sent congratulations to California on this achievement.

The PCIP Enrollment Report can be found at:  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_9.a.\\_%20PCIP\\_Enrollment\\_Report\\_for\\_December\\_2011.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_9.a._%20PCIP_Enrollment_Report_for_December_2011.pdf)

### **Administrative Vendor Performance Report**

Ms. Soto-Taylor reported on Agenda Item 9.b, the Administrative Vendor Performance Report. The Administrative Vendor met all performance standards in the areas of completeness and eligibility determinations, appeal processing, data transmission, telephone line abandonment, busy rates, seconds to live voice and also voicemails returned. All performance standards for accuracy of eligibility determination, screening, adjudication of appeals, generating and transmitting all enrollment transactions and premium payments were met. There were no benefit appeals during the month of November.

Chairman Allenby asked if there were any questions or comments from the Board. Hearing none, he asked if there were 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\\_011812/Agenda\\_Item\\_9.b.\\_PC\\_IP\\_Adm\\_Vendor\\_Board\\_Report\\_December\\_2011.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_9.b._PC_IP_Adm_Vendor_Board_Report_December_2011.pdf)

## Third Party Administrator Performance Report

Ellen Badley reported on Agenda Item 9.c, the Third Party Administrator Performance Report. The third party administrator met all contracted performance standards for the month of December. More than 96 percent of subscriber issues and more than 97 percent of provider issues were resolved in the same day by the third party administrator. In addition, more than 99 percent of clean claims were paid within 10 days of receipt from providers and disputed claims were resolved within 30 days.

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 document with data on all performance measures is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_9.c\\_TPA\\_Performance\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_9.c_TPA_Performance_Report.pdf)

## Other Program Updates

### Update on Subscriber Requests for Continuity of Care

Ms. Badley reported on Agenda Item 9.d.i, Update on Subscriber Requests for Continuity of Care. Staff is continuing to monitor the network transition that occurred in December 2011 to ensure that affected members undergoing care have the opportunity to continue care with their previous providers. Staff has asked the Third Party Administrator to report on continuity of care approvals for subscribers. There are currently 37 members approved for continuity of care, with the single largest category being requests for scheduled surgery or other procedures. Additionally, there are 10 members approved for continuity of care for documented courses of treatment. Five are undergoing chemotherapy. There are five members undergoing treatment for maternity care, four for physical therapy and one for HIV treatment.

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

## **MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP) UPDATE**

### Enrollment Report

Ms. Soto-Taylor reported on Agenda Item 10.a, the MRMIP Enrollment Report. During the month of December 2011, 121 individuals enrolled, bringing the total enrollment to 6,334, which is well below the 8,000 subscriber cap. In December, there were 230 applications and 215 disenrollments. There were no significant changes in enrollment, distribution or demographic information. Kaiser South continues to have the highest subscriber enrollment. More than 28 percent of program enrollment is in Los Angeles County. Most subscribers are between the

ages of 50 and 64 years of age, 57 percent are female and more than 60 percent are Caucasian.

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

The MRMIP Enrollment Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_10.a.\\_MRMIP\\_Board\\_Report\\_Summary\\_for\\_June\\_2011.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_10.a._MRMIP_Board_Report_Summary_for_June_2011.pdf)

#### Update on Enrollment Cap and Waiting List

Ms. Soto-Taylor reported on Agenda Item 10.b, the Update on Enrollment Cap and Waiting List. There were 23 individuals on the wait list due only to deferred enrollment.

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

The MRMIP Enrollment Cap and Waiting List Update document is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_10.b.\\_--\\_MRMIP\\_Weekly\\_12\\_monthWaitlist\\_with\\_bubbles\\_01-14-12\\_data.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_10.b._--_MRMIP_Weekly_12_monthWaitlist_with_bubbles_01-14-12_data.pdf)

#### Administrative Vendor Performance Report

There was no oral presentation for Agenda Item 10.c, Administrative Vendor Performance Report.

The MRMIP Administrative Vendor Performance Report chart is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_10.c.\\_MRMIP\\_Adm\\_Vendor\\_Perf\\_for\\_June\\_2011.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_10.c._MRMIP_Adm_Vendor_Perf_for_June_2011.pdf)

#### Other Program Updates

There were no Program Updates.

### **HEALTHCARE REFORM UNDER THE AFFORDABLE CARE ACT**

Ms. Casillas reported on Agenda Item 11, Healthcare Reform Under the Affordable Care Act. The Board's packet contains a copy of the *Essential Health Benefits Bulletin* released by the U.S. Center for Consumer Information and Insurance Oversight (CCIIO), not as proposed regulations but in bulletin format, conveying CCIIO's thoughts to the states. MRMIB, the Health Benefit Exchange Board and the Department of Health Care Services will provide coordinated comments by January 31. Some general observations are that the benefit categories outlined must be equal in scope to a typical employer plan, and include coverage for ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance abuse services, including the behavioral health treatment; pharmacy; rehabilitative services; laboratory services; preventive services; wellness; chronic disease management; and pediatric services, including oral and vision care.

The bulletin outlines four benchmark options. States would choose a benchmark similar to the way they do in the Children's Health Insurance Program. Ms. Casillas said that when, the Exchange statute was enacted in California, it was assumed that the federal government would specify the benchmark for essential health benefits.

The benefits identified in the bulletin are very comprehensive. With that in mind, the question is how that would affect plan affordability for subscribers. Understanding that these essential benefits create the floor for Medi-Cal, what are the implications for Medi-Cal and will the benefits selected be what Medi-Cal already provides? There also is the very sensitive issue of benefits for autistic children. This was the subject of a bill last session which exempted plans within Medi-Cal, Healthy Families and CalPERS.

MRMIB will continue to be engaged and will be meeting with the other state agencies on the essential benefits package, including the departments of Managed Health Care and Insurance. The Exchange has also released a solicitation for communication support for an outreach and education campaign. The Exchange is looking for a contractor to provide ideas on branding the Exchange and how to conduct outreach. This is separate from the grant that actually funds these activities. These proposals are due January 30 with a contract period from March 1, 2012 to October 13, 2013. There also is an RFP or solicitation on health plan management and delivery system improvement, released December 22, 2011, with proposals due the end of January. This contract will begin in March 2012 and continue through November 2012. This contractor would develop and recommend standards and processes for certification and competitive selection of qualified health plans for the Exchange. The Exchange wants this contractor to develop and recommend the criteria for the selection process; the ongoing program certification, recertification and decertification; performance measurements; quality monitoring; and compliance for qualified health plans. This contractor also would be expected to develop and recommend strategies or activities to improve the broader delivery system within the state and a time and process for health plan selection and ongoing monitoring.

The Exchange also released a draft solicitation for IT systems. The final solicitation was released the night before this MRMIB meeting, with a 20-day comment period. Engagement was high on this proposal with some 1,343 comments submitted. Ms. Callas indicated that this was a huge contract that includes designs, proposals and ideas on how to create an IT system that addresses the core functionalities of the "no wrong door" concept. It also addresses broad concerns about cultural and linguistic appropriateness. Additionally, the Exchange wants to ensure that the contractor can turn in a proposal that addresses real-time eligibility and enrollment, assures privacy and security and provides a seamless and timely transition of families moving in and out of the Exchange to or from either Medi-Cal or Healthy Families. The award for that particular proposal process is anticipated to be released April 17. Bids are due February 24, so it is definitely on a fast track.

MRMIB continues to work with the Exchange and its staff on the release of these solicitations and will continue its efforts in assisting the Exchange. The Exchange

also issued a re-release of a solicitation document in late December for hiring a human resources company to assist in the recruitment of seven exempt positions. The proposals were due on January 12. The Exchange is looking to fill its Chief Financial Officer, Chief Technology Officer, the Director of its Small Business Health Options Program Exchange, the Director of Health Plan Contracting, Director of Public Relations and Communications, the Director of Individual Sales and Marketing and also the Director of Small Business Health Options Program Sales and Marketing.

Board Member Figueroa indicated that at the most recent Exchange Board meeting there was a question from the audience about how the three departments would work together, even though eventually there may be one signature on some of these contracts. He said an explanation from the Exchange perspective was offered, but he asked Ms. Casillas to explain that from the MRMIB perspective.

Ms. Casillas said that from MRMIB's viewpoint, it works well and is very much in line with how one would create a project management process for an IT project. There is a work group of high level individuals from MRMIB, DHCS and the Exchange that looks at comments submitted, addressing best practices or best ideas in the draft solicitation. The group works collaboratively to design a project or a solicitation. If there is not consistent agreement among the three entities, then issues are escalated to an executive steering committee, which is where such issues are discussed and addressed. The executive steering committee is comprised of Peter Lee for the Exchange, Ms. Casillas for MRMIB and Toby Douglas for DHCS.

At the work group level, these are very high-level staff. MRMIB is represented by Thien Lam, Ernesto Sanchez and Sara Soto-Taylor. Medi-Cal is represented by René Mollow and Len Finocchio. Senior consultants from the Exchange and IT experts on loan from the Office of Systems Integration fill out the group.

Board Member Figueroa asked what the Board's role would be in the decision-making process in awarding Exchange contracts for CalHEERS (California Healthcare Eligibility, Enrollment and Retention System) and the outreach (Communications Support for the Outreach and Education Campaign Plan and Assistors Program), if all three entities participate?

Ms. Casillas said the solicitation and the contracting process formally are conducted under the Exchange's statute and authority. Exchange's Director Peter Lee will sign Exchange contracts. He has been extremely collaborative and is working very closely with DHCS and MRMIB on these issues. Mr. Lee has said repeatedly that he wants collaboration. If there is a disagreement or a difference of opinion on an issue, to the extent that it affects MRMIB, Ms. Casillas said she would champion the issue. To the extent that MRMIB is not affected, although she may disagree, it would be up to the Exchange to make the decision. Ms. Casillas said she has fulfilled MRMIB's role on the executive steering committee by making sure MRMIB concerns, issues and experience in this area are put forward.

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

The document on Healthcare Reform Under the Affordable Care Act can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_11\\_Healthcare\\_Reform\\_Under\\_the\\_Affordable\\_Care\\_Act\\_Essential\\_Health\\_Benefits\\_Bulletin.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_11_Healthcare_Reform_Under_the_Affordable_Care_Act_Essential_Health_Benefits_Bulletin.pdf)

## **HEALTHY FAMILIES PROGRAM (HFP) UPDATE**

### **Enrollment and Single Point of Entry Report**

Ernesto Sanchez reported on Agenda Item 12.a, Enrollment and Single Point of Entry. At the end of December, enrollment was at nearly 871,000 subscribers in the Healthy Families Program. New enrollment for December was slightly under 25,000. There were no major changes in ethnicity and demographics. Of the applications received, approximately 34 percent were submitted electronically. Of those, nearly 59 percent were submitted by members of the public. Of the applications that came through and were processed, almost 73 percent went to Healthy Families, nearly 21 percent to Medi-Cal, and six percent to both programs.

Chairman Allenby asked if there were any questions or comments.

Jack Campana asked whether the usual drop in November, December and January enrollment experienced in 2010 was expected.

Mr. Sanchez said that there is a certain amount of seasonality in all MRMIB programs. In HFP it seems that a drop in monthly enrollment totals occurs near the holiday season. With AIM and MRMIP as well, usually during March and April or right after the holidays, MRMIB sees growth in enrollment and then again in September and October MRMIB sees peaks of enrollment with back-to-school efforts.

Mr. Campana said he noticed that over the last several months, enrollment did drop as the previous year, but seemed more stable. He indicated that this speaks well of the outreach work that is still continuing. Mr. Sanchez said staff continues to make those efforts and is still making sure people are aware that the program is open after the two-month closure experienced a few years ago. Ms. Casillas said that staff could reach out and work more closely with the organizations that receive federal grants to conduct outreach, to determine whether MRMIB could provide assistance to the extent possible within its existing infrastructure for HFP, Medi-Cal and Health-e-App.

The HFP Enrollment and Single Point of Entry Report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_12.a\\_HFP\\_December\\_2011\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_12.a_HFP_December_2011_Summary.pdf)

## Administrative Vendor Performance Report

Mr. Sanchez reported on Agenda Item 12.b, the Administrative Vendor Performance Report. The administrative vendor met all performance standards for the Single Point of Entry and Healthy Families for the processing of applications, toll-free line standards and quality and accuracy standards for the processing of applications, eligibility determinations, appeal adjudications and the transmission of electronic enrollment records.

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

The HFP Administrative Vendor Performance Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_12.b\\_HFP\\_Adv\\_Vendor\\_QA\\_2011\\_12.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_12.b_HFP_Adv_Vendor_QA_2011_12.pdf)

## 2010 Cultural and Linguistic Services Survey Report

Agenda Item 12.c was not presented.

## Recognition of High Performing Plans Based on the 2010 Healthcare Effectiveness Data and Information Set (HEDIS) Report

Muhammad Nawaz presented Agenda Item 12.d, Recognition of High Performing Plans Based on the 2010 Healthcare Effectiveness Data and Information Set (HEDIS) Report.

This is the third year plan partners have been recognized for achievement in providing quality services to Healthy Families children. This is also the third year of continuous increases in the number of plans that provided services at that level. The first year there were three plans recognized and the second year six plans were recognized. This year, MRMIB recognized a total of eight plans in two areas: overall improvement and best performance in 2010. Best performance is based on overall aggregate HEDIS scores.

Ms. Badley announced the seven eight plans receiving best performance for 2010:

- Cal Optima, which received the award for the third year in a row,
- Central California Alliance for Health,
- Community Health Group,
- Contra Costa Health Plan, which received the award for the second year in a row,
- Health Plan of San Mateo, which received the award for the second year in a row,
- Kaiser Permanente Health Plan North Kaiser Permanente Health Plan South, with Kaiser North receiving the award for the third year in a row, and
- San Francisco Health Plan.

Ms. Badley announced the plan receiving recognition for most improvement for the period 2007-2010:

- Community Health Group.

The Recognition of High Performing Plans Based on the 2010 HEDIS Report document is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_12\\_2011\\_Quality\\_Awards\\_Final.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_12_2011_Quality_Awards_Final.pdf)

#### 2012-13 HFP Model Health, Dental & Vision Contract Amendments

Chairman Allenby discussed the 2012-13 HFP Model Health, Dental and Vision Contract Amendments. He said a motion was not needed, but that the Board needed to provide an overall indication of approval. The Board did so.

The 2012-13 HFP Model Health, Dental & Vision Contract Amendments link is located here:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/agenda\\_item\\_12.e.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/agenda_item_12.e.pdf)

#### CHIP Reauthorization Implementation

##### Update on CHIPRA Performance Bonus

Mr. Sanchez reported on Agenda Item 12.f.i, Update on CHIPRA Performance Bonus. He noted that, in an earlier discussion with the Board, he had said the state of California was applying for a CHIPRA performance bonus. The lead state agency was DHCS, the state's Medicaid agency, and MRMIB was working with them on this application. To qualify for the Performance Bonus, applicants must meet five of eight criteria. The estimate at that time was that California would be potentially eligible for an \$816,000 performance bonus. Unfortunately the federal government determined that the state had been using the 2009 methodology for calculating the performance bonus. So, while the state met the five of eight criteria to qualify, the state did not qualify for any actual dollar amount using the 2011 methodology.

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

Ms. Casillas asked Chairman Allenby whether she could go back to the performance of HFP plans (Agenda Item 12.d) to note that HFP plans have done a very good job in serving the children. Not only were they recognized, but they were measured by 19 different performance measures in HEDIS around access, accurate treatment for different conditions and appropriate testing. Staff does a lot of oversight and demands a lot for the children HFP serves. It is worth noting again, not only the performance – and staff is very pleased with the improvements – but also the partnership in serving the children that we serve.

#### Other Program Updates

There were no Other Program Updates.

## **ACCESS FOR INFANTS AND MOTHERS (AIM) UPDATE**

### **Enrollment Report**

Darryl Lewis reported on Agenda Item 13.a, the Access for Infants and Mothers Enrollment Report. In December, there were 898 new subscribers enrolled in the program, bringing the total number of subscribers to 6,942. There were no major changes in ethnicity nor were there noticeable changes in percentage of enrollment in specific counties. The top three counties continued to be Los Angeles, San Diego and Orange, reflecting a combined 48.5 percent of AIM enrollment. The health plans enrollment did not significantly change compared to the previous month.

The AIM Enrollment Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_13.a\\_AIM\\_Dec\\_2011\\_summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_13.a_AIM_Dec_2011_summary.pdf)

### **Administrative Vendor Performance Report**

Mr. Lewis reported on Agenda Item 13.b, the Administrative Vendor Performance Report. The administrative vendor met all seven areas of performance, quality and accuracy standards when processing applications and making eligibility determinations, assisting applications and subscribers through toll-free lines and transmitting subscribers' 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 questions or comments from the audience. There were none.

The AIM Administrative Vendor Performance Report is located at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_011812/Agenda\\_Item\\_13.b\\_AIM\\_Adm\\_Vendor\\_Perf\\_Dec\\_2011\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_011812/Agenda_Item_13.b_AIM_Adm_Vendor_Perf_Dec_2011_Summary.pdf)

### **Other Program Updates**

Returning for Agenda Item 12.h, Ms. Badley provided an update on the 2010 HFP HEDIS Report, which contained data anomalies from Anthem Blue Cross results. These results had significant impacts on overall HFP rankings. Subsequent to the meeting, staff met with Anthem and the health plan has since provided staff with revised data. Although the new data does not meet National Committee for Quality Assurance reporting standards, MRMIB research staff felt it was sufficiently credible to revise the HEDIS Report, which is being done at this time. In addition, staff has incorporated findings from Medi-Cal's HEDIS report to provide comparisons. The Medi-Cal report came out subsequently to the HFP report, the latter of which will be posted to the MRMIB website in its revised form.

Chairman Allenby said he was pleased the revised HEDIS Report was to be posted to the MRMIB website. He asked if there was any further business to bring before the Board.

Board Member Figueroa asked Ms. Casillas whether the HFP Business Rules had been posted, as discussed at the last Board meeting. Ms. Casillas said that the HFP and AIM Business Rules had been posted. However, the Health-e-App and Single Point of Entry business rules have not been posted. The latter would be a DHCS decision. Ms. Casillas said it was her understanding that there was a request pending with DHCS to post those business rules. She said MRMIB would be sending those business rules to DHCS for their determination on posting.

Chairman Allenby asked if there was anything further to bring before the Board. Ms. Casillas said there was not.

The meeting was adjourned at 12:34 p.m.