

**Illinois Department of Public Aid
Medicaid Advisory Committee**

401 S. Clinton Street, Chicago, IL
210 S. Grand Avenue East, Springfield, IL

July 15, 2005

Members Present

Eli Pick, Chairman
Alvin Holley
Mike Jones – IDPH
Jill Fraggos for Susan Hayes Gordon
Marilyn Peebles for Debra Kinsey - DCFS

Members Absent

John Shlofrock
Pedro A. Poma, M.D.
Leticia Overholt
Richard Perry, D.D.S
Stephen Saunders – DHS
Kim Mitroka – Christopher Rural Health
Neil Winston
Diane Coleman
Robert Anselmo, R.Ph

HFS Staff

James Parker
Vicki Mote
Carla Lawson
Aundrea Hendricks
James Monk

Interested Parties

Ralph Schubert IDHS
Citseko Staples, Harmony Health Plan
Randall Mark - CCBHS
Claudia Quinn - Ortho Biotech

Medicaid Advisory Committee (MAC)
Draft Meeting Minutes

July 15, 2005

I. Call to Order

Chairman Eli Pick called the meeting to order at 10:10 a.m.

II. Introductions

Attendees in Chicago and Springfield introduced themselves.

III. Review of the Minutes

The minutes could not be approved, as there was not a member quorum.

IV Administrator's Report

On Dr. Murphy's behalf, James Parker, Deputy Administrator for Operations, reported on current Healthcare and Family Services (HFS) activities. Budget initiatives implemented were coverage changes for OTC drugs; the three brand-name drug limit; a substantial reduction in appropriations for Health Maintenance Organizations (HMO); and a freeze in outlier payments to hospitals.

1) There is a 3-brand limit on coverage drugs. A client notice was sent. Implementation date is not decided but will be no sooner than October 1. It will be several months before the edits are in place. In the meantime, HFS is talking with the UIC pharmacy regarding the drugs of patients over the 3-brand limit so that patients don't come up against the limit while at the pharmacy. The Kidney, Lung, Mental Health, Alzheimer and Epilepsy Associations as well as the American Assn for Retired People (AARP) have raised concerns about the 3-brand limit.

There is a change in coverage of certain over-the counter (OTC) drugs in the current HFS budget. The OTC cuts were to be effective on July 1st but have been delayed to August 1, 2005. The delay is at the request of the nursing home industries. Deputy administrators, Theresa Wyatt and James Parker visited a nursing home for a med-pass.

HFS continues working hard in preparation for Medicare Part D. Staff have been in touch with some plans that will be sponsors for Medicare Part D in order to coordinate the Cares Rx wrap program.. Some sponsors are secret, anonymous and hard to talk with. CMS has set a conference call with prescription drug plans (PDP) to participate anonymously and discuss issues with the Department.

Chairman Eli Pick anticipates questions from nursing homes regarding Part D and the 3-brand limit. He raised 2 issues. How will physicians be educated? With no alternative drug, how will we handle in advance that a drug is not covered?

Mr. Parker stated that certain classes of drugs would be exempt, e.g., anti-retro-virals, psychotropics and anticonvulsants. For another example, an Alzheimer drug as a 4th drug request will not have a prior approval edit. Statins will also be exempt from an edit. Also, if a brand name is cheaper than a generic, HFS will exempt the brand name drug.

- 1) As far as Medicare Part D, Mr. Parker stated that he does not want beneficiaries eligible for full Medicaid benefits, “dual-eligible” patients, to change a medical regimen based on the 3-brand limit in October 2005 and then change again when assigned to a PDP. Healthcare and Family Services is looking at exempting dual eligible patients from any edits.

V. Old Business

KidCare/FamilyCare. Vicki Mote, Chief of the Bureau of KidCare, provided the committee with an update on the KidCare/FamilyCare program. Refer to Attachment 1 and Attachment 2. There are about 2,000 pending applications. Complete applications are currently processed within 6 days.

The web-based interactive application is being piloted at 3 sites. Users have provided positive feedback about the application.

Eli Pick asked about plans for training KidCare Application Agents (KCAA). Ms. Mote stated that the plan is to send Alerts and have persons available to answer questions. She stated that the application is easy to use and she expects that KCAA will also find this to be true.

HIPAA Update. James Parker provided the update. He stated that implementation of HIPAA billing procedure is moving along well. There are some little quirks. He shared the example of the national drug code (NDC) being an 11-field code, however, the Blue Cross Blue Shield (BCBS) data entry system has only 10 fields for entry. This problem has been addressed and it was believed that BCBS has developed a coding solution.

Mr. Parker stated that all providers will be required to use the new reporting format. Eventually the old reporting format will not be accepted. Providers will be notified of the effective date.

Medicare Part D. James Parker provided the update. There is a lot of workgroup activity on outreach. The federal government has sent letters to all

states regarding dual eligible participants. Some letters are already out and we can soon expect to hear from persons getting the notices now.

Pharmacy Subcommittee Charge. James Parker reported that HFS has collected potential member names representing the diverse groups from whom the committee wished to draw, e.g., Illinois pharmacists, independents, long term care providers, and the Illinois Medical Society. The department will put a list together and send to the committee chair next week.

VI. New Business

There was no new business to discuss.

VII. Subcommittee Reports

Long Term Care (LTC). Eli Pick provided the update. He reported that the subcommittee discussed implications of Medicare Part D. A premise is that no one should lose benefits. However, SLF recipients may see a reduction in food stamp benefits. Also, SLF providers may see a revenue loss of about \$50 per person

Emergency rules are in place for more effective screening of sex offenders and parolees requiring long term care. Emergency rules are in place for 150 days, after which final rules will have been developed for the legislature to pass.

The subcommittee wants to make supportive living arrangements more available to the mental health population as there is no alternative to long-term care. The subcommittee discussed crafting legislation to meet this need.

Wayne Smallwood and Theresa Wyatt discussed a number of applications should be set aside for specialized populations, e.g., the visual and hearing impaired, although this will not appear in the first batch of approvals.

Dental Policy Review (DPR). The subcommittee has met since the last MAC meeting but there was no one that attended to report. A report will be made at the next meeting.

Public Education Subcommittee. Eli Pick provided the update. The group met about 2 weeks ago and discussed the committee charge. There was discussion about the practical functioning of offices in the neighborhoods and how information needs to be presented to consumers.

There was primary discussion on service processing barriers that included: 1) time spent waiting in the local office and 2) how a client may access information when he or she has no computer and perhaps not even a telephone. The group discussed the possibility of disseminating information in places that clients frequent, like grocery stores and pharmacies. The group discussed the nature of information to

be distributed, the form of distribution and languages to make the information available.

Chairman Pick commented that he was impressed with the level of interest and motivation within the group. There was a high level of sophistication within the group with representatives from such groups as the UIC health centers, poverty law clinic and UIC School of Public Health. He shared that he had emphasized to the group that their role was as an advisory not policy committee.

Ralph Schubert from the Office of Family Health expressed interest in his staff working with the group. Mr. Pick suggested that he contact Jackie Ellinger.

- VIII. Chair Eli Pick adjourned the meeting at 10:44 a.m. The next MAC meeting is scheduled for September 16, 2005.

Medicaid Advisory Committee
July 15, 2005
KidCare/FamilyCare Report

Enrollment

- We have around 2,000 pending applications in the KidCare Unit. We are processing clean applications at 6 days.
- Enrollment data is attached. Enrollment data as of 5/31/05:
 - a. 1,038,303 pre-expansion children (up to 100% of FPL)
 - b. 344,612 pre-expansion parents (up to approx. 38% of FPL)
 - c. 6,002 Moms and babies expansion (133% to 200% of FPL)
 - d. 65,729 Phase I (100% to 133%) and 38,104 Phase II expansions (133% - 185% of FPL)
 - e. 3,537 Phase III (over 185% - 200% of FPL)
 - f. 30,344 FamilyCare Phase I (38% - 49% of FPL)
 - g. 30,477 FamilyCare Phase II (49% - 90% of FPL)
 - h. 40,122 FamilyCare Phase III (90% to 133% of FPL)

FamilyCare Expansion

We are expanding FamilyCare to 185% of poverty January 1, 2006.

Web-based application capability

We are piloting our web-based application at three KCAA sites. We hope to roll the application out to all KCAA's and the general public by the end of August.

MAC 07-15-05
Attachment 2

	11/30/04		12/31/2004		1/31/2005		2/28/2005		3/31/2005		4/30/2005	5/31/2005
	Previous Numbers	Current Numbers	Current Numbers	Current Numbers								
Pre-expansion children	1,031,262	1,031,468	1,035,319	1,035,682	1,028,679	1,029,971	1,030,075	1,033,452	1,031,863	1,037,237	1,040,944	1,038,303
KidCare Phase I	54,601	54,602	55,574	55,578	66,548	66,651	67,546	67,888	68,423	68,981	65,001	65,729
KidCare Phase II	35,149	35,169	35,475	35,502	35,734	35,772	35,852	35,871	35,686	35,686	37,557	38,104
KidCare Phase III	3,874	3,874	4,105	4,105	4,361	4,352	4,503	4,495	4,610	4,593	3,214	3,537
Moms and Babies Exp	4,963	4,970	5,002	5,010	6,314	6,335	6,321	6,391	6,319	6,444	6,052	6,002
Pre-expansion parents	333,436	333,627	337,263	337,579	339,971	340,859	340,561	342,886	341,465	345,300	345,568	344,612
FamilyCare Phase I	27,435	27,444	26,806	26,824	27,026	27,069	27,341	27,451	27,674	27,829	29,996	30,334
FamilyCare Phase II	28,210	28,213	28,524	28,533	28,762	28,825	28,871	29,069	29,189	29,511	30,348	30,477
FamilyCare Phase III	31,034	31,044	32,556	32,575	34,670	34,769	36,228	36,517	37,964	38,430	38,580	40,122
TOTAL	1,549,964	1,550,411	1,560,624	1,561,388	1,572,065	1,574,603	1,577,298	1,584,020	1,583,193	1,594,011	1,597,260	1,597,220