

Illinois Department of Healthcare and Family Services
Hospital Transformation Review Committee
September 5, 2018

Members Present:

Director Patti Bellock
Representative Tom Demmer (via Phone)
Representative Robyn Gabel
Representative Greg Harris
Acting Administrator Teresa Hursey
Representative Sheri Jesiel
Representative Camille Lilly (via phone)
Representative Ryan Spain
Senator Heather Steans
Senator Dave Syverson

HFS Staff:

Jodi Carr	Cindy Bushur-Hallam
Chris Kantas	Shawn McGady
Kim McCullough-Starks	Kim Schultz
Daniel Suess	Hector Villagrana

Caucus Staff:

Patrick Besler, House Republican Staff
Angie Sidles, Senate Republican Staff

Interested Parties:

Letitia Dewith-Anderson – IlliniCare	Karen Babos – Molina
Kathy Chan – CCHHS	Julie Curry – Curry and Associates
Danny Chun – IHA	Bill Filan – Jackson Park
Pat Gallagher – IHA	Paul Frank – Wellcare
Samantha Olds-Frey – IAMHP	Dave Gross - IHA
Angela Grover – Presence	
Ann Guild – HFSRB	George Hovanec – Lurie Children’s
Joe Holler, IHA	Anne Igoe – SEIU-HCIL
Mona Martin, Martin Consulting	Jeannie Mitchell – HFSRB
Jessica Pickens – NextLevel	Bruce Simon – Bruce Simon Consulting
Will Snyder – AMITA Health	Mikel Sutton – BCBS
Nelson Vasquez – Jackson Park Hospital	David Vinkeler – Molina
Matt Werner – M. Werner Consulting	Cheryl Whitaker – NextLevel
Scott Ziomek – Northwestern Mem. Hospital	

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**Meeting
Minutes**

Welcome & Introductions: The bi-weekly meeting of the Hospital Transformation Review Committee (HTRC) was called to order on September 5, 2018, at 10:30 am by Chairman Harris.

Roll Call: Chairman Harris took a roll call of members present. There were a total of 10 members present, 8 in-person and 2 by phone, and Chairman Harris noted that a quorum was present. The Chairman stated that a correction was needed to the August 22nd meeting minutes by changing the vote count approving the July 24th and August 8th meeting minutes from 9 in favor and 0 opposed to 10 in favor and 0 opposed. There was no objection from the committee. Senator Syverson moved to approve the corrected minutes from August 22nd, Representative Gable 2nd the motion, and by a vote of 10 in favor and 0 opposed the motion was adopted.

New Business: At the start of new business, Chairman Harris stated that the committee would hear presentations from Samantha Olds Frey of the Illinois Association of Medicaid Health Plans (IAMHP) and an update from the Illinois Hospital Association (IHA) on their Hospital Transformation Task Force.

The Illinois Association of Medicaid Health Plans presented first to the committee. Joining Ms. Olds Frey during the presentation was Cheryl Whitaker, CEO of NextLevelHealth, and Karen Babos of Molina Healthcare. Ms. Olds Frey started her presentation by reiterating 5 principles presented to the Committee in testimony by the IHA during the August 8th meeting and that IAMHP agrees that those principles are critical to the success of the Committee's proposals. These proposals include that decisions be based off of the needs of the community, transformations should be broad in nature taking into consideration the entire healthcare system in a neighborhood not just the hospital, transformations should be sustainable, there needs to be an ability to measure and ensure accountability, and there must be time for proper planning and transitioning if these efforts are going to be successful.

Next, Ms. Olds Frey presented IAMHP's perspective on gaps and barriers to care that exist in the Illinois Medicaid system. IAMHP and their partners are improving the system for patients who return repeatedly for services due to lack of community based resources, patients who remain in the hospital past medical necessity due to appropriate alternative settings, and when families must leave their children in a psychiatric hospital due to a lack of community resources. IAMHP stated they recognize the issues in tackling these problems and recommends an approach allowing communities and hospitals to adjust to changes that will improve the care offered to Medicaid beneficiaries.

Ms. Olds Frey then outlined recommendations from the IAMHP. These recommendations included allowing hospitals to use designated funds to hire consultants to assist in the transformation, identify brick and mortar opportunities to transform hospitals as necessary,

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assess the needs of the NB Consent Decree, engage other Medicaid provider trade associations in discussions, and include an analysis of rates.

Ms. Olds Frey then addressed some of the concerns that the Committee had heard up to that point about MCOs. The first concern raised was surrounding payments to providers. IAMHP stated that they are working with consultants, other associations, the MCOs, and providers to address billing concerns and create a unified comprehensive billing guide for all provider types. IAMHP stated that they will offer training and are continuing to work to address billing concerns from providers.

There was a robust discussion between committee members and IAMHP around concerns that the members have repeatedly heard about billing issues with the MCO's. A representative of the Association of Safety-Net Hospitals also expressed concerns surrounding billing. They noted that some of their membership sees a high percentage of claims are being denied and at times receive different responses from different MCOs. The Safety-Net hospitals pointed out that they do not have the resources to reconcile billing issues like larger hospitals. Ms. Olds Frey, Ms. Whitaker, and Ms. Babos discussed these concerns with the members and shared that they are working to address the issue pointing out that if the appropriate information is not submitted in its entirety the claim may be automatically denied.

Ms. Olds Frey then presented on the engagement of members by the health plans. She stated that health plans try to bring additional members into care and offer additional benefits to engage members. In addition to the testimony of Ms. Olds Frey, Ms. Whitaker of NextLevelHealth and Ms. Babos of Molina provided examples of how their health plans engage their membership.

There was a discussion between Committee members and IAMHP about member engagement. The discussion touched on psychiatric hospitals and treatment, care coordination, and Integrated Health Homes.

Lastly, Ms. Olds Frey addressed concerns around transportation for plan members and access to pharmaceuticals. She stated plans do face transportation challenges in more rural parts of the state. On pharmaceuticals, plans respond to authorization within 24 hours, plans cover 72 hours of emergency medication, and the health plans typically offer a more generous formulary and have a higher generic utilization rate than traditional Medicaid.

The second presentation was by Patrick Gallagher of the IHA. Mr. Gallagher gave the committee an update on the progress being made by IHA's Hospital Transformation Taskforce. Mr. Gallagher stated that the Taskforce recognizes the need to transform and that hospitals are facing a number of challenges. The Taskforce is looking at eligibility criteria, the type of data that should be provided, and a variety of implementation issues that hospitals view as important to transformation. Mr. Gallagher noted that the Taskforce recognizes that a number of hospitals are dependent on assessment funding. The Taskforce

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is focusing on these hospitals and working on how to prioritize recommendations for hospitals that will be affected the most by the transformation. In addition to the items above, the Taskforce is working on how to identify those hospitals in most need of reform. Mr. Gallagher stated that the view of the IHA is that hospitals in most need must get priority, there must be specific data requirements for hospitals, there should provide flexibility and accountability, and the transformation model should be sustainable.

The Chairman pointed out the next meeting will take place in one week instead of two and the department will work on a way for the public to listen to the meetings without physically being in Chicago or Springfield.

Public Comment: None

Adjournment: Chairman Harris adjourned at 12:40 pm.

Next meeting: September 12, 2018.