MEDICAL ADVISORY COMMITTEE MEETING
Draft Meeting Minutes
November 19, 2009

Members attending: Ms. Bates, Dr. Bourdeau, Dr. Cavallaro, Dr. Crawford, Mr. Rick Snyder for Ms. Patti Davis, Ms. Sherry Davis, Ms. Patty Holderman for Mr. Goforth, Dr. William Pettit for Dr. Stanley Grogg, Ms. Sandra Harrison, Dr. Brooke Shoemaker for Dr. Kasulis, Mr. Gerald Duehning for Mr. Machtolff, Dr. Dan McNeill, Mona Spivey for Dr. Michael Ogle, Dr. Daniel Post, Dr. Edd Rhoades for Dr. Cline, Dr. Jason Rhynes, Mr. Pete Reed for Ms. Slatton-Hodges for Commissioner White, Dr. Wavel Wells, Dr. Phil Woodward, Dr. Paul Wright

Members absent: Ms. Bellah, Ms. Case, Ms. Holliman, Dr. Simon, Dr. Strom-Aulgur, Mr. Tallent, Mr. Unruh

I. Welcome, Roll Call, and Public Comment Instructions

Dr. Crawford welcomed the committee members and called the meeting to order. Roll call established the presence of a quorum and there were 3 requests for public comment. Dr. Crawford asked the clinicians to stay for the sub-committee.

Public Comments:

Mr. Dennis Teal – Works for Stillwater Medical Center and representing the DME groups. Air, water, and food – wanted to advocate for the air (oxygen therapy 36% of reimbursement which Medicaid pays), water, and food as these are necessary for survival. It costs more to stay in a nursing home than it does to stay in the home. With Medicare and others trying to reduce re-hospitalizations, home care is vital. I just wanted to speak for that industry that serves those patients that don't have the funds for oxygen or mobility. Thank you.

Dr. Jane Fitch – Addressed the issue of pain management which is separate from anesthesia. It is vitally important with children that they be asleep when pain management is administered. This makes a world of difference in recovery time for the patient.

Dr. Jay Grenawalt – From Tulsa and a practicing anesthesiologist. Medicaid does not pay for the post-operative analgesic performed on the same day as the procedure. Medicaid is the singular payer in Oklahoma that does not allow for this service. With ultra-sonography veins and nerves are more easily viewed and patients can more aggressively advance to physical therapy. Dr. Crawford asked if other carriers consider this a global service. Dr. Grenawalt replied that all other carriers consider this separate.

Mr. Gary Crain – from ProCare and would like to address 2 issues: 1. patient care, and 2. cost of providing oxygen service to 450 to 500 patients daily across the state. They have patients in Gore, Vian, and Stillwater for example. With the possible reimbursement cuts to oxygen, at some point the providers will have to consider the limitation of driving out to provide the service and whether they have reached the economic limit. We hope that the Committee takes this into consideration when making decisions.

II. Approval of minutes of the May 21, 2009 Medical Advisory Committee Meeting

Dr. Cavallaro made the motion to approve the minutes as written. Dr. Woodward seconded the motion. Motion passed unanimously.

III. MAC Member Comments/Discussion

No comments.

IV. Program Operations & Benefits Update: Becky Pasternik-Ikard, Chief Operating Officer

Ms. Pasternik-Ikard reviewed the SoonerCare Programs Update, and the SoonerCare Program Operations and Benefits Report For more detailed information see report included in MAC information packet.

VI. Provider Services Support Update: Paul Keenan, MD, Chief Medical Officer

Dr. Keenan reviewed the Provider FastFacts for October 2009. For more detail see MAC information packet.

V. Financial Report: Carrie Evans, Chief Financial Officer

Ms. Evans reviewed the Financial Report for the year ended September 30, 2009. Currently OHCA is under budget however, the figures for October and November continue to climb. For more detailed information see MAC information packet.

a. Budget Discussion: Carrie Evans and Nico Gomez

Ms. Evans reported that the agency has decreased its budget by 5% as directed by OSF which the agency was able to absorb. With the reduction to continue throughout the fiscal year, OHCA continues to look for additional ways to meet this need. For every $1 the state budget is reduced the state loses $3 of federal funds. Our budget must be reduced by $26.6 million state dollars which translates to a total program loss of $110 million. OHCA still has $16.8 million remaining to achieve for the reduction. There is a possibility of an additional 2.5% decrease coming, but at this point OHCA is focusing on the 5%.

Mr. Gomez asked the members to review the document, SFY10 Budget Reduction Analysis, provided at the beginning of the meeting. This document is a 'working document' and continues to be refined daily. He asked the members for their honest opinions regarding the items listed and that he will provide them with an electronic version of the document each time it is updated for their input prior to the December 10th Board Meeting. Mr. Gomez also provided the members and attendees with his e-mail address and asked them to submit any recommendations, suggestions and/or comments regarding this issue.

Mr. Gomez began the review of the document by pointing out that some of the optional programs include DME for adults, Pharmacy for adults, and Dental for adults.

Administration: going to be decreased by 5%. Ms. Harrison asked what would be included in the 5%; travel, furloughs, etc. Mr. Gomez stated that it had not specifically been decided but travel and purchasing were on the list.

Dental: Dr. Wells stated there would be some concern over the equalizing of reimbursement for amalgam and resin, but the other 2 items were more important. He stated that there is not enough dental services for adults and that it would be a great disservice if the adult extractions were discontinued. Also the dental program for pregnant women is also very important for health birth outcomes. Dr. Rhoades agreed with this opinion and stated that the dental care for pregnant women should not be discontinued.

DME: Dr. McNeill pointed out that this affected the most vulnerable population. Dr. Wright concurred. Dr. Post asked that if adult DME is discontinued would it cause an increase in admissions to nursing homes? Mr. Gomez explained that it was possible and that there are no "good" cuts, all would have consequences.

Pharmacy: Mr. Gomez reviewed the items under the pharmacy heading. Dr. Post asked that if OHCA had a generic mandate why wasn't it generic only. Dr. Mitchell explained that because OHCA receives rebate dollars the formulary has to be "open" to include the manufacturers' products on which we collect rebates. Dr. Woodward expressed his concern for the rural pharmacists. He stated that there had been a 4% decrease since October and there will be another decrease due to the changes with the State Insurance. Dr. McNeill asked what of the items listed would affect the pharmacists. Dr. Woodward stated that none would. Dr. McNeill stated that with OHCA continuing to work with the Drug Utilization and Review Committee and the College of Pharmacy millions could be saved as has been in the past.

Provider Payment Changes: The change in payment reimbursement for C-sections and vaginal deliveries for facilities and physicians was discussed. Mr. Snyder, OHA, encouraged OHCA to not include this. Dr. Crawford stated that this would take a change in medical malpractice coverage related to VBACs.

Dr. Crawford continued reviewing the list of possible budget reductions, which included: Modifying ER reimbursement methodology, modifying hospital payments for patient transfers, limiting ER visits to 3 paid visits per year for non-pregnant adults, Eliminating Modifier 57 code, eliminating separate payment for impacted earwax, eliminating outpatient adult therapies, eliminating provider incentive payments, and provider rate reductions of 1%.

Dr. Mitchell asked if the more surgical cuts are preferred versus an across the board provider rate cut. She stated that one provider at another meeting said it is just confusing, just take what is needed off the top; others feel the surgical process is a way to share the pain.

XI. Action Items: Nancy Staffins, Sr. Policy Specialist

OHCA Initiated

09-47 Behavioral Health School Aide – EPSDT rules are modified to add a new provider type "Behavior Health School Aide" and service "Therapeutic Behavioral Services". Currently schools are allowed to include behavioral interventions as a personal care service. This rule change is needed to help better define and separate behavioral interventions that do not appropriately fall within the description of personal care services. **Budget Neutral**

09-51 Never Events - Agency rules are written to establish policy for serious reportable events in healthcare, also called never events. Rules will non-cover three surgical errors and set billing policy to implement appropriate claims processing. The three surgical errors are (1) wrong surgical or other invasive procedures performed on a member, (2) surgical or other invasive procedures performed on the wrong body part, and (3) surgical or other invasive procedures performed on the wrong member. Rules will also include a related claims review (if appropriate) and the avoidance of SoonerCare to act as a secondary payer for Medicare non-payment of the three surgical errors. **Budget Savings Expected.**

09-52 Laboratory Services - Agency rules are revised to clarify that reimbursement is only made for medically necessary laboratory services. Additional revisions include removing language which calls for OHCA to edit laboratory claims at the specialty/subspecialty level. CMS only allows edits for SoonerCare claims at the CLIA certificate level. Other revisions include general policy cleanup as it relates to these sections. **Budget Neutral**

09-53 Insure Oklahoma IP Eligibility - Insure Oklahoma/O-EPIC rules are revised to clarify the intent of offering coverage under the Individual Plan (IP) program. Applicants applying for coverage under the IP program should be uninsured individuals without access to Employer Sponsored Insurance (ESI) or other private health insurance. It has never been the intent of Insure Oklahoma IP to be a secondary payer for services rendered under ESI or any other private health insurance policy or plan. Rules clarify IP eligibility requirements and closure criteria. **Budget Neutral**

09-56 Online Enrollment - SoonerCare eligibility rules are revised to support the use of the web based online application and eligibility determination system. The process will be phased in over a period of time, beginning with families with children, pregnant women, and individuals requesting only family planning services. Eligibility for these groups will no longer be retroactive to the first day of the month of application but rather, the date of application or later. **Budget Neutral**

Ms. Staffins stated that in addition the eligibility for these three groups will no longer be retroactive to the first day of the month of application but will be effective the date of application or later.

09-59 Ambulatory Surgery Centers (ASC) - Rules are revised to allow reimbursement for services not covered as Medicare ASC procedures but otherwise covered under the SoonerCare program. Currently, policy restricts OHCA reimbursement to only those services on the Medicare approved list of covered services. This revision will give OHCA additional flexibility in determining services which are appropriate for the populations we serve. **Budget Impact: Expected budget savings.** *Services provided in ASC's are reimbursed at rates less than services provided in outpatient hospital settings.*

09-60 Outpatient Hospital Rules – Rules are revised to clarify the intent of reimbursement for implantable devices inserted during the course of a surgical procedure. Separate payment will be made for implantable devices, but only when the implantable device is not included in the rate for the procedure to insert the device. Additional revisions include removing all-inclusive reimbursement language for outpatient radiological services and additional clarification in regards to adult therapies performed in an outpatient hospital based setting. **Budget Neutral**

09-61 Acute Inpatient Psychiatric Services – Inpatient Behavioral Health rules are revised to clarify reimbursement for acute inpatient psychiatric services provided in free-standing psychiatric hospitals. The modification more clearly defines reimbursement for ancillary and professional services outside of the per diem rate paid to the facilities. **Budget Neutral**

09-66 Pain Management/Anesthesia Rules - Agency rules are revised to add that under certain circumstances, such as a member's limitation to receive pain management before or after the anesthesia session (i.e. age of the member), OHCA will reimburse for pain management procedures in conjunction with anesthesia. This policy revision will allow OHCA to reimburse for pain management performed during the anesthesia session when it is medically necessary, it is submitted with appropriate documentation, and it is submitted with the appropriate modifiers. All claims for this service will be medically reviewed prior to payment. **Budget Impact: Approximately $225,000 Annually; State Share: $56,025 Annually.**

Dr. Crawford asked if this change would fall under the 1% Provider Rate cut if approved? Dr. Mitchell stated that based on when it goes into effect it would be vulnerable to the 1% reduction.

09-69 Residential Behavioral Management Services (RBMS) Clarification - For RBMS reimbursement purposes rules are being revised to change the status of the Office of Juvenile Affairs from an Organized Health Care Delivery System to a Foster Care Agency. This change was initiated in order to comply with federal regulations regarding Targeted Case Management. Rules are also revised to limit the number of beds that may be served in an RBMS home to 16 or less in order to comply with the State Plan and avoid classification as an "institution". **Budget Neutral**

09-70 Immunization Rules – Physician Rules are revised to allow for a separate payment for the administration of the Human Papillomavirus (HPV) vaccine to the population of members who have been approved for its use by the FDA. This revision is to clarify policy to more closely mirror current OHCA practice. **Budget Neutral**

*Ms. Staffins stated that Dr. Crawford had pointed out that this rule incorrectly states "**approved for its use by the FDA."** when the rule should read **"use by the ACIP guidelines."** This will be changed.*

Federally Initiated

09-55 Deemed Newborns - SoonerCare eligibility rules regarding coverage for deemed newborns are revised to comply with provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), Public Law 111-3. Revisions include: (1) amending the citizenship documentation requirements added by the Deficit Reduction Act of 2005 to provide that children who were initially eligible for SoonerCare as deemed newborns shall be considered to have provided satisfactory documentation of citizenship and identity when their eligibility is renewed on their first birthday; and (2) eliminating the requirement that, in order to receive coverage under SoonerCare, newborns coming home from the hospital must live with the mother, remain a member of the mother's household, and that the mother remain eligible for SoonerCare (or would remain eligible if still pregnant). Further revisions clarify that deemed newborns are to be certified for SoonerCare through the end of the month that the child reaches age one. **Budget Neutral**

09-70 H1N1 Vaccine Administration - Physician rules are revised to allow for a separate payment to be made to providers for the administration of pandemic virus vaccine to both adults and children. This change was brought about by the CMS mandate that State Medicaid agencies reimburse providers for the administration of the 2009 H1N1 flu vaccine. **Estimated Budget impact: $212,000 for SFY2010; State share approximately $53,000.**

OKDHS Initiated

09-65 ADvantage Waiver Rules - Rules are revised to add Case Management and Case Management for Transitioning to the list of services that must be documented utilizing the Interactive Voice Response Authentication (IVRA) system in the ADvantage waiver. The IVRA system provides an accurate electronic accounting of time and attendance for Personal Care, Case Management and other Waiver services delivery as well as elimination of inefficiencies from the former paper based system. **Budget Impact: Budget neutral to OHCA.** *OKDHS is providing the state share of funding for implementation and use of the new system.*

Rules were voted en block.
Motion to approve rules made by Ms. Sandra Harrison. Seconded by Dr. Jason Rhynes.
Motion passed unanimously.

X. New Business
a. 2010 MAC dates: The Committee reviewed the dates and accepted all as listed.

XI. Adjourn