

Senate Bill (SB) 553
Working Group on the Implementation Planning for the Incorporation of Nursing and Choices for Independence Waiver Services in the NH Medicaid Care Management Program

Public Working Session
September 15, 2016
10:30 a.m. – 12:00 p.m.
Legislative Office Building, Rooms 210-211
Concord NH

Introductions and Agenda

Commissioner Jeffrey Meyers welcomed Working Group members and interested parties. The agenda was reviewed: The NH Health Care Association principles and recommendations to be presented by Brendan Williams and Mike Lehrman. The CFI presentation is postponed due to the presenters being unable to attend the meeting at the last minute.

Announcements

1. Commissioner Meyers announced the appointments of Christine Santaniello as Director of the Bureau of Developmental Services (BDS). Chris was formerly the Executive Director of the Lakes Region Community Services; and Sandy Hunt as Deputy Director, who formerly served as Interim Director of BDS. Together, Chris and Sandy will bring their collective experience to bear on the developmental disability service delivery system to ensure the system serves the best interests of our clients.

2. SB 553 Schedule
Commissioner Meyers reminded attendees that the schedule of SB 553 meeting is included in the Agenda and is posted on the SB 553 website. A tentative schedule for presentations was announced:
 - October 4: Summary of MLTSS Work from Other States/Lessons Learned – Camille Dobson, NASUAD
 - October 20: Medicaid Managed Care Final Rule: Highlights of the rule as it impacts NH’s Medicaid managed care – Deb Fournier and Deb Scheetz, DHHS
 - November 1: Rate Setting/Financial Construct for MLTSS – Milliman
 - November 15: Quality Presentation - Doris Lotz, MD, DHHS. Joint meeting of SB 553 Working Group, MCM Commission, and MCAC
 - December 9: Presentation on Current MCM Contract position relative to case management, care coordination, network adequacy, and quality – Deb Fournier and Deb Scheetz, DHHS

The CFI presentation will be rescheduled.

After December 9th, the working group will transition from general discussions to building out plans for Step Two services. The meeting schedule will be announced at a later date. Meetings will continue to be held bi-weekly to work on the plan for CFI and Nursing Services. Workgroups will be self-selecting and meet as part of the ongoing public process. Meetings will be noticed and all interested parties may participate in the discussions.

Nursing Services: Brendan Williams, NH Health Care Association

Mr. Williams thanked the Department for its support of SB 553 and the planning process. He emphasized that going forward, the Medicaid funding stream not be disrupted.

Reference was made to two letters submitted to DHHS jointly by NHHCA and the NH Association of Counties in 2014 and more recently in July 2016. The letters pose questions stemming from concerns regarding the very complicated nature of reimbursement for a fragile nursing home population. The reimbursement process must remain transparent and accountable.

The Associations' 2014 letter outlines a set of Principles to Govern Long Term Care Managed Care, the first of which provides that the transition not impair the quality of care for long term care recipients.

Managed Long Term Care in Other States:

Iowa presents the most alarming example where claims were denied and savings from managed care were not attributed to nursing facility services. Payment delays and denials would be devastating to NH providers considering that payments already fall short. In terms of value and savings, it would be difficult to find another state that achieves more than New Hampshire. While costs have increased by 12%, rates have increased by only 4.5% since 2009. At the same time, New Hampshire nursing facilities have had the fewest deficiencies cited in the nation.

In Minnesota, increases in efficiencies enured to the benefit of the MCOs, not the state. In Rhode Island, 84 residents were transferred to community settings at a cost exceeding that of nursing home care. Legislatures in Louisiana and Wisconsin opposed their governors' efforts to implement MLTSS. In Florida MCOs were underpaid which belies any cost savings. Arizona is has had managed care since 1981, so there's no comparison data available.

Questions that are pose that are unique to NH must be addressed. Mr. Williams reiterated the fragility of the system that serves our most fragile citizens.

Nursing Services: Mike Lehrman, Catholic Charities New Hampshire:

Mr. Lehrman advised that facilities be prepared for a cash crunch, as well as to be prepared to hire additional billing staff.

Managed Long Term Care in Other States:

In Cleveland, Ohio, one facility was \$1 million in the red after the transition to managed care. New Jersey facilities experienced billing errors and payment delays. Lesson learned: Do live testing before the full rollout. New York's complexity of billing required more time spent managing the process, thereby detracting from providing quality of care.

As articulated in SB 553, the plan for implementation of Step Two should address how managed care will achieve the legislative intent of providing value, quality, and efficiency. Each state is unique. New Hampshire adopted budget neutrality to cap nursing home payments which has had a very negative impact on nursing facilities.

As for quality, CMS surveyors recently commented on how well New Hampshire facilities compare with those nationally on CMS' 44 quality parameters. When CMS conducts its "lookback" surveys, they are consistent with the State's surveys. Mr. Lehrman advised the group that NH nursing facilities are providing quality care and any changes should not result in lower quality.

There are concerns about how efficiencies will be achieved when the MCOs are entitled to administrative fees. It is too early to know whether other states have achieved efficiencies.

Going forward, the state must understand the process of how quality will be improved under managed care. The value proposition should be explained as to how it will work in New Hampshire, not how it worked elsewhere. The contract language between MCOs and providers must be very specific. Finally, it will be difficult for New Hampshire's small number of nursing facilities (76) to manage contracts with Fortune 500 MCO companies.

Comments, Questions:

Comment: There may be pressure from MCOs to transfer nursing home residents to residential care facilities which are not staffed to provide the level of care required. Unless the rates change, pressure on a fragile assisted living network will be more than they can bear and lead to unfortunate consequences for residents.

Q: Is there an inventory of states that have implemented MLTSS?

A: Nineteen states have implemented managed care. On what scale and whether dual eligible were involved is difficult to say. Mr. Williams will obtain this information.

Q: Are there states that began their program as a dual program and then converted to a traditional managed care program? We would be interested in knowing if states (other than AZ) implemented managed care right away for LTSS?

A: Mr. Williams will obtain this information.

Q: The Commissioner asked MCO representatives to comment from the MCOs' perspective.

A: Both MCOs are looking forward to working with providers to achieve the desired outcomes.

Q: In other states where MLTSS was implemented, where did the savings go or were there no savings?

A: Nursing homes want to be sure that the goals are grounded in NH experience. Each state is different. For example, other states have used nursing facilities inappropriately (for behavioral issues) which impact cost and savings.

Q: With budget neutrality, is New Hampshire already operating efficiently? Have savings already been realized due to very low rates already in place?

A: Budget neutrality is not unique to New Hampshire. Nursing homes in other states are forced to be efficient.

Q: The MCM Commission recommended the use upcoming waiver revisions to establish rate adjustments for senior care. The surge of seniors requires that financial strength will be necessary to meet the needs, particularly with accompanying workforce problems.

Commissioner Meyers commented this is just the beginning of the discussion. There will be a subgroup to focus on nursing facility services. He acknowledged that responses to NHHCA's questions and concerns will be forthcoming, some of which will flow from work ahead.

Public Comment

The parent of a 33-year old living at home with a chronic terminal disease attended this meeting to address CFI. She stated that DHHS has tried to institutionalize her son many times in order to save

money. She continues to argue that it is less expensive to care for her son at home who is ventilator-dependent and requires 24/7 care. She does not want her son in a nursing facility. She fears that if funds are diverted to institutions, the funding for her son's care will be cut. She suggests retaining community-based services. The Commissioner thanked Mrs. Abramson. He assured her that he takes her comments very seriously and that the Department does not view anyone as a dollar sign, that every life is valuable, and that her point of view is present as plans are developed.

Next Meeting

The next meeting will be held on Tuesday, October 4, 10:30am - 12:00pm at the Legislative Office Building, Rooms 210-211.