

Kansas Health Policy Authority: Medical Care Advisory Committee

Summary: Teleconference Meeting, May 25, 2010

Present:

Susan Wood -KHPA	Pam Shaw M.D.	Doug Gruenbaker M.D
Margaret Smith-KHPA	Brandon Kennedy M.D.	Michelle Black
Brenda Kuder -KHPA	Penny Selbee	*Donna Sweet M.D.
Larry Wright -KHPA	Chris English	

(*This correction to minutes was made following 8-24-10 MCAC meeting)

Previous Minutes - Meeting minutes from March 2nd deferred until next meeting as a quorum was not present for approval to occur. No changes requested, will wait for approval at the next meeting.

Introductions – Chris English is now with KAMU and has replaced Denise Curtis as their representative to this committee.

Announcements - Corey Edwards has resigned her position. Anna Lambertson is her replacement to this committee at this time. We will need to elect a new co-chair during our next meeting.

Meeting Reimbursement - Those on the committee that are eligible for travel/time reimbursement need to remember to complete the reimbursement request form sent to them by Wanda. Once completed please fax them to Wanda at the number given so that your request for reimbursement can be processed.

Agency Update given by Dr Smith –

Budget update:

- Targeted reduction to salary and wage budget line of \$200,000 SGF, which translates to approximately \$526,000 when the federal matching dollars are added. This is equal to approximately 8 positions. Operations team and Executive staff will need to determine the number of lay-offs that will occur taking into consideration the number of vacancies that have occurred over the recent year. There will be additional lay-offs; the specific number is unknown at this time.
- Reinstatement of the 10% Provider payment reduction.
- Hospice benefits will be reduced.
- Elimination of certain over the counter medications.
- Four brand name prescriptions per month limit and a tiered formulary. This limitation does not apply to Mental Health medications. The prohibition on Mental Health pharmacy management was restored. This action again limits the ability to actively manage MH drugs.

- Proviso to the budget which mandates KHPA to contract with a private entity to do health care cost containment and recovery services. This means that the company contracted with will seek out third party liability carriers for payments, conducting audits of providers and recouping payments when identified. KHPA currently has a contract with a private company to conduct this activity; however it was presented to the Legislature by this same company that there was considerably more money to be identified for recoupment and this action resulted in a \$15 million decrease in our budget to reflect those potential recoupment dollars. The company hired will be paid on a contingency basis and what this means for providers that there will be an additional entity requesting documentation for services billed to identify money that can be recouped. This amount also reflected additional funds that they felt that they could get through the KDOA and SRS.
- \$175,000 reduction to the budget based on potential recoupment for retrospective review of Mental Health drug utilization. The Legislature anticipates this amount of saving if the CNS project is reinstated. This program would not restrict the use of mental health drugs, but would monitor appropriate prescribing of such drugs. No details were specified in regards to how this program would be implemented or managed. KHPA could again work with an outside entity, as we did with Eli Lilly, and the Mental Health Drug Advisory Committee would tailor the program to meet our needs.
- Funding was approved for an automated prior authorization system.
- Health reform impact on the state budget – the impact of this will probably not be known until budget year 2013. KHPA is working to seek funding from outside sources to help us prepare for health reform.

Policy Updates given by Brenda Kuder –

- Vaccine for Children (VFC) policy changes - a policy has been written that will no longer require Local Health Departments to bill the administration of VFC vaccine to a third party liability (TPL) carrier, such as BC/BS, when a Medicaid beneficiary has coverage by both Medicaid and TPL. This policy change should become effective late summer. The Professional provider manual will be updated with this policy change.
- Billing of Mother/Baby claims – Providers will have 45 days from the date of birth of the baby to bill any newborn services under the Mother's Medicaid ID number, in those situations when the newborn has not received their own ID number within that time frame. The provider manual will be updated to reflect this change in policy. This is the result of a KHPA OIG audit.

Next meeting – The next MCAC meeting is scheduled for August 24, 2010 at the KAMU office in Topeka. Please submit any agenda items to KHPA. The meeting notes will be distributed prior to the meeting in August.