Idaho Board of Health and Welfare
Minutes
August 19, 2010

The Board of Health and Welfare convened at:
Pete T. Cenarrusa Bldg.
450 W. State Street
Boise, Idaho 83720

Board Members Present
Richard Roberge, Chairman
Janet Penfold, Vice Chairman
Richard Armstrong, Secretary
Quane Kenyon
Darrell Kerby
Tom Stroschein
Stephen Weeg
Tammy Perkins, Office of the Governor

Staff Present
Drew Hall, Deputy Director, Family and Welfare Services
Richard Schultz, Deputy Director, Health Services
David Taylor, Deputy Director, Support Services
Betty Mills, Special Assistant to the Board
Jeanne Goodenough, Deputy Attorney General-Human Services
Kathleen Allyn, Administrator, Behavioral Health
Leslie Clement, Administrator, Medicaid
Patti Campbell, Project Manager, Medicaid
Tom Shanahan, Public Information Manager
Tamara Prisock, APS Program Manager

Others Present
Sara Stover
Russ Myers
Katie Kreller, Idaho Statesman
Dustin Hurst, Idaho Reporter

Call to Order
Following proper notice in accordance with Idaho Code Section 67-2343 and pursuant to call by the Vice Chairman, the meeting of the Idaho Board of Health and Welfare was called to order by Richard Roberge, Chairman of the Board, at 9:00 a.m. Thursday, August 19, 2010, at the Pete T. Cenarrusa Bldg., 450 W. State Street, Boise, Idaho.

Roll Call
Richard Armstrong, Secretary, called the roll. Roll call showed seven members present. Absent and excused were Daniel Fuchs, Senator Patti Anne Lodge and Representative Sharon Block. With six voting members present, Chairman Roberge declared a quorum.

Public Comment Period
Chairman Roberge opened the floor for public comment. There was none, the Board then advanced to the next order of business.

ADOPTION OF MINUTES FROM BOARD MEETING ON MAY 20, 2010

Motion: Stephen Weeg moved that the minutes of the May 20, 2010 Board meeting be adopted as prepared.

Second: Quane Kenyon

Vote: Ayes: Kenyon, Kerby, Penfold, Roberge, Stroschein, Weeg – 6
Nays: None

Motion Carried

APPOINTMENT OF NOMINATING COMMITTEE
Chairman Roberge appointed Stephen Weeg and Quane Kenyon as our Nominating Committee. They have been requested to present nominations for next years officers and report back to the Board during our November 18, 2010 Board meeting.

STANDARDS GOVERNING NONHOSPITAL, MEDICALLY-MONITORED DETOXIFICATION/MENTAL HEALTH DIVERSION UNITS
Docket No. 16-0750-1001 (Temporary)

The Nonhospital, Medically-Monitored Detoxification/Mental Health Diversion Units rules are being updated to allow for a breath alcohol test to be performed on individuals being brought in for treatment in addition to the blood draw alcohol test. Also, the Tuberculin skin testing requirements for clients is being amended, as many clients may not stay in the unit long enough to have the skin test read.

Minor changes were made in Sec. 246.04. The removal of "if he chooses to have the test read" was made.

Motion: I, Stephen Weeg, move that the Idaho Board of Health and Welfare adopt the "Temporary" rules for the "Standards Governing Nonhospital, Medically-Monitored Detoxification/Mental Health Diversion Units," presented under Docket No. 16-0750-1001, as amended, with effective date of October 1, 2010.

Second: Quane Kenyon

Vote: Ayes: Kenyon, Kerby, Penfold, Roberge, Stroschein, Weeg – 6
Nays: None

Motion Carried

MMIS REPORT

Deputy Director Dick Schultz presented to the Board, an overview and status report on the Medicaid Management Information System (MMIS).

- Unysis was the original contractor of MMIS. They had difficulty meeting development time lines. System implementation dates were delayed from November 2009 and again in February 2010. Final Implementation date was set for June 7, 2010.
- Molina acquired the Health Information Management Division (HIM) of Unisys in May 2010.
- On May 21, 2010, a meeting was held between Molina staff and Health and Welfare (H & W) staff, to determine whether or not to move forward with implementation. Molina reported:
  - 99% of test cases executed were good.
  - 4 test cases were identified with defects. Molina stated these would be rectified by the time the system was scheduled to go live.
  - Training for providers and staff was ready
  - Provider manuals, user security and help desk were ready
  - Conversion (IBES/eligibility and FISCAL/payment) were ready
- Molina recommended implementing the system on June 7, 2010 and provided a letter to H & W stating in their opinion, they believed the system was ready.
- A decision was made at the May 21, 2010 meeting to implement on June 7, 2010.

Health and Welfare's system considerations/concerns regarding going live:

- Decision matrix showed mixed readiness of Molina system.
- There was a lack of participation in Beta testing. A number of providers agreed to test the system in a field setting, but there was little success in them actively engaging in using the system.
- There was an under enrollment of providers in the new system which meant they would have a short period of time to enroll or they would not receive a check.
- The old Electronic Data System (EDS) was faltering.
- The Electronic Data System (EDS) contract was scheduled to lapse July 31, 2010.
- Centers for Medicare and Medicaid Services (CMS) would not pay for extension of EDS.

Health and Welfare's acknowledged risks with going live:

- Payments would be withheld – 3 months for Hospitals and Nursing Homes and 3 weeks for all other providers.
- Low re-enrollment of providers.
- Recognition that the new system has new edits, preventing some claims that use to process from entering the system, and force more claims to a pending status.
- With a new system and new look there would be a natural delay in processing claims.
- A decision was made by Health & Welfare at the May 21, 2010 meeting to implement on June 7, 2010.

Problems with the implementation began surfacing on June 7, 2010. Many providers were not enrolled. The volume of calls coming in to the call center was beyond their capacity, resulting in 2,000 dropped calls. Concerns pertaining to the implementation were expressed to Molina and they deployed an assessment team on August 1, 2010. On August 6, 2010, Molina's assessment

team and Senior management met with Health & Welfare staff to discuss their findings. Molina acknowledged they were understaffed operationally. Additional resources will be brought in by Molina to address their findings.

On August 13, 2010, Health & Welfare staff met with Molina Corporate Executives to discuss additional concerns and what approach Molina will take to resolve them.

Director Armstrong reported that in his meeting this afternoon with the Senior Staff from Molina, he would be informing them that Health & Welfare would be withholding payment to them until current issues are resolved.

Patti Campbell reported on the Performance Metrics for MMIS:

- In November 2009, providers were notified and requested to update, validate and provide new information to Health & Welfare for enrollment.
- There was an enormous back log in entering new information into the system, due to the urgency for providers to meet the deadline for enrollment.
- The provider set up was completely different with Molina which caused natural delays.
- Statistics were provided to the Board beginning July 1 thru August 16, 2010 on:
  - Provider Enrollment Status
  - Claims
  - Call Center
  - Web Stats
  - Claim Activity

As of August 12, 2010:

- 153,798 claims have been received
- 130,300 claims were accepted for adjudication (claims have passed initial HIPAA edits, but claim has not been adjudicated.)
- 85% of claims have been accepted
- 18,000 providers are in the Molina system

Patti also reported when EDS shut down, they denied all pending claims. Providers will need to resubmit those claims in order to be paid.

Molina is currently contacting providers to discuss why claims are not being paid. Patti also stated Molina will be adding 40 new staff members which include additional claims examiners.

Leslie Clement reported on Communication Efforts with providers and legislators:

- Leslie stated there are currently 18 escalated issues Molina is working on.
- Medicaid providers are requesting better communication.
- Established a number of joint state/Molina phone conference calls with provider associations.
- Molina Web portal is being enhanced to allow providers access to information on progress being made.
- Providers are able to use Molina's web portal to read how the payouts are being processed.
- Molina will provide more useful reference guides for providers.

- There will be periodic updates of the status to key stakeholders.
- The crisis stage should be over by the end of September.

Molina has not currently added all of the needed staff for the call centers. Training their staff is essential to provide quality customer service. Regional staff is expected to be expanded to enable providers the ability to contact someone in their local areas for answers.

Molina has been commended for recognizing there are many issues they need to improve on. Molina has not tried to deny these issues exist.

Tom Stroschein expressed his frustration in the lack of communications to the Health and Welfare board members. He requested that the board members be cc'd on factual information within the department so they do not have to learn about it from the paper or media.

ODP PRESENTATION – SPICE/K2: RESEARCH AND LEGISLATION

Caitlin Zak, Program Assistant in the Office of Drug Policy gave a PowerPoint presentation to the Health & Welfare Board on Spice/K2. Spice is a new synthetic drug being smoked to produce a high similar to marijuana or hashish. It has not yet been banned in Idaho and is marketed and sold online and in local smoke shops as an incense blend "not for human consumption". Despite this warning, Spice is being used as an alternative to marijuana by many who are unaware of the dangers.

Sharon Burke, Program Manager in the Office of Drug Policy expressed her concern for public awareness of SPICE. She requested support from the Board of Health & Welfare in creating a rule to present to Legislature, requesting Idaho ban SPICE from being sold to the public.

Chairman Roberge stated that the Board could draft a letter of support for the ban of SPICE, before our November meeting. The letter of support could state the Boards support in requesting the Board of Pharmacy and Legislature act on banning SPICE.

Motion: Stephen Weeg moved, that the Department of Health and Welfare Board encourage the Office of Drug Policy and Governor work with the Board of Pharmacy to take immediate action to ban the sale and distribution of Synthetic Cannabinoid and for the Governor to work with the 2011 Legislature to place that ban in law.

Second: Quane Kenyon

Motion Carried

Motion: Darrell Kerby moved, to accept the verbal motion

Second: Quane Kenyon

Motion Carried

SUPPORT SERVICES REPORT

Strategic Plan:

- Strategic Plan is submitted annually to Department of Financial Management (DFM) on July 1 of each year.
- In the Director's letter at the beginning of the Strategic Plan report, he stated the Department's budget for SFY 2011 reflects a 5.6% decrease in State general funds from the SFY 2010 original appropriation and a 25.7% decrease from the 2009 original general fund appropriation.
- Current Plan has been fairly consistent over the past 4 years with only minor changes
- Due to the adjusted budget, the increase demand for services, decrease in general funds and current Medicaid issues, it has become eminent to redo the current plan.

There was discussion among the Board members pertaining to redoing the current Strategic Plan.

Draft Proposed Budget and Medical Assistance Program:

- FY 2010 is balanced out. It required Health & Welfare to withhold Medicaid payments. Approximately $90 million in total funds ($18.1 million in general funds) was withheld and will be carried over to FY 2011.
- The Governor's office has a good handle on the FY 2011 budget. There are additional funds available in the Millennium Funds and FMAP Funds to carry Health & Welfare through FY 2011.
- For FY 2011, a Medicaid deficit of approximately $45 million may be carried over.
- For FY 2012, if the same appropriation number ($468,000,000) is used with the forecast of spending in General Funds, Medicaid will have a General Fund deficit of approximately $183 million.

Draft FY 2012 Proposed Decision Units (DU's):

- Approximately 30 DU's will be submitted to the Division of Financial Management (DFM) on September 1, 2010.
- Most of the Department's 2011 & 2012 requests will relate to the budgetary demands within the Medicaid program.

DIRECTOR'S REPORT

- The Department of Health & Welfare took very aggressive actions in requiring cuts in most divisions.
- Employee morale seems to be good. It does not look like Health & Welfare will need to take furloughs for the upcoming FY.
- There is success in the early stages of reforming our Behavioral Health Division.
- There was a steep climb in the need for food stamps through the summer. A decrease does not look eminent in the upcoming year.
- Enhancement in the electronic processing for food stamp assistance has allowed the Department to stay a head of the demand.
- Farmers Markets are accepting food stamps.
- The Departments request to the FEDS to deny client's utilization of food stamps for soft drinks was rejected.
- Director Armstrong is working on writing a letter to the First Lady, Michelle Obama, expressing his concerns on nutritional needs for children.

The Director was requested to comment on a child welfare issue that involved the death of a child. The Department declined to comment due to the pending criminal court case that will go to trial soon. The Director told the Board the Department plans to delay an independent review of the case until the criminal court proceedings are resolved. No names were mentioned pertaining to this case.

ADJOURNMENT

The next meeting of the Board of Health and Welfare is scheduled to be held November 18-19, 2010. There being no further business to come before the Board, Chairman Roberge adjourned the meeting at 1:48 p.m.

Respectfully signed and submitted by:

Richard Roberge, Chairman

Richard M. Armstrong, Secretary

Betty J. Mills, Special Assistant