



Select Committee on Efficiency in Government 62nd Montana Legislature

SENATE MEMBERS

JON SONJU--Chair
EDWARD BUTTREY
MARY CAFERRO
JIM KEANE
EDWARD WALKER
DAVID WANZENRIED

HOUSE MEMBERS

MARK BLASDEL
RON EHLI
GALEN HOLLENBAUGH
PAT NOONAN
SCOTT REICHNER
KATHLEEN WILLIAMS

COMMITTEE STAFF TEAM

DAVE BOHYER, Lead Staff
DAVID NISS, Staff Attorney
DAWN FIELD, Secretary
SUE O'CONNELL, LSD, Health Care
SONJA NOWAKOWSKI, LSD, Nat'l Res.
QUINN HOLZER, LFD, Health Care
TARYN PURDY, LFD, Budgeting Process
BARBARA SMITH, LFD, Technology
LOIS STEINBECK, LFD, Health Care

MINUTES

Healthcare/Medicaid Subcommittee of the Select Committee on Efficiency in Government

November 15, 2011

Sletten Cancer Institute
Great Falls, Montana

Please note: These minutes provide abbreviated information about committee discussion, public testimony, action taken, and other activities. To the left of each section in these minutes is a time designation indicating the approximate amount of time in hours, minutes, and seconds that has elapsed since the start of the meeting. This time designation may be used to locate the referenced discussion on the audio or video recording of this meeting.

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Hard copies of the exhibits for this meeting are available upon request. Legislative Council policy requires a charge of 15 cents a page for copies of the document.

COMMITTEE MEMBERS PRESENT

Rep. Pat Noonan, Chair
Sen. Mary Caferro
Sen. Edward Walker
Rep. Mark Blasdel

STAFF PRESENT

Dave Bohyer, Lead Staff
Sue O'Connell, LSD, Health Care
Dawn Field, Secretary

AGENDA & VISITORS' LIST

Agenda, Attachment #1.
Visitors' list, Attachment #2.

COMMITTEE ACTION

The Medicaid Subcommittee of the Select Committee on Efficiency in Government agreed by consensus on five topics for further study:

- recommendations for specific change to Medicaid laws or administrative rules identified by stakeholders as unnecessary or overly burdensome;
- the Medicaid application process;
- potential issues related to the Children's System of Care Account;
- the use and promotion of long-term care insurance partnership policies; and
- the effects in Washington state of a law allowing penalties for people who receive assets that were transferred in order to allow person to qualify for Medicaid.

CALL TO ORDER AND ROLL CALL

00:00:02 REP. NOONAN called the meeting to order at 12:33 p.m. He stated that the purpose of the meeting was to continue taking testimony on how to streamline Medicaid without sacrificing quality of care. The Secretary took roll. All members were present (ATTACHMENT #3).

PUBLIC COMMENT

00:02:00 **Shyla Patera, Great Falls, North Central Independent Living Services**, discussed long-term care systems and community-based care services for disabled Montana citizens and the critical role of Medicaid in providing these services. She also recommended ways for improving access to care and better use of funding (EXHIBIT 1).

00:12:25 **Joan-Nell Macfadden, Great Falls**, conveyed a message to the Subcommittee on behalf of a mental health professional regarding the ability of licensed clinical professional counselors to bill for Medicare. Ms. Mcfadden also discussed issues of concern regarding the Montana Developmental Center and encouraged the Subcommittee to closely examine the facility and programs administered there.

00:15:32 **Cherrie Kelly, Head Start, Great Falls**, discussed problems with the Medicaid application process. Ms. Kelly said the process improved slightly with the ability to apply online but that many problems remain.

00:17:02 **Mike Foster, Catholic Hospitals of Montana**, distributed a document listing a number of ideas being considered by the congressional "supercommittee" charged with making budget cuts in federally funded programs (EXHIBIT 2). He noted that several ideas relate to Medicaid.

00:22:20 **Aart Dolman, Great Falls**, discussed his study on Medicaid in Montana's Golden Triangle area of nine counties in northcentral Montana.

COMMITTEE WORK SESSION

00:33:02 REP. NOONAN thanked everyone for the public comment provided. He said he would like the Subcommittee's discussion to focus on solutions that could be pursued in the short term.

00:33:35 **Sue O'Connell, Research Analyst, Legislative Services Division (LSD)**, noted that two additional public comments were submitted to the Medicaid Subcommittee:

Kristianne Wilson, Billings Clinic (EXHIBIT 3) and David Hemion, Montana Dental Association (EXHIBIT 4). Ms. O'Connell referred members to a summary of Medicaid/healthcare suggestions made to date which included possible actions (EXHIBIT 5).

00:37:08 REP. NOONAN said that the complicated application process has been a recurrent theme. He asked to look at the process to determine if it could be streamlined and still meet federal requirements. SEN. CAFERRO said Montana requires even more information on Medicaid applications than does the federal government.

REP. NOONAN said that copious amounts of paperwork has also been frequently mentioned. Ms. O'Connell said the summary (EXHIBIT 5) lists several courses of action and that the Subcommittee could ask the DPHHS to address these concerns, either through a written response or a presentation.

00:38:58 REP. BLASDEL said he would prefer a presentation which would include a breakdown between federal and state standards and a justification of why Montana has required additional information.

00:40:41 SEN. CAFERRO reported that a large provider network is developing a list of problematic regulations and that the list should be completed by the January meeting. She also discussed the Wyoming State Healthy Families Succeed model which was presented at the Montana Healthcare Forum in early November in Helena.

00:42:42 REP. NOONAN asked to have the DPHHS discuss outcome-based programs. Ms. O'Connell said that Mary Dalton plans to discuss the pay-for-performance model at the full committee meeting and could be asked about outcome-based models as well.

00:44:18 REP. BLASDEL asked Mr. Foster to further discuss problematic regulations. Mr. Foster said that hospitals are highly regulated. Because regulations may increase costs, it is important to determine which are necessary to patient care. He said the hospitals he represents are trying to identify regulations that are counterproductive and wasteful, but cautioned that it will be difficult to modify or minimize federal regulations.

00:48:28 SEN. WALKER asked Mr. Foster to discuss efficiencies implemented in the Wyoming model. Mr. Foster said that the Montana Healthcare Forum invited Dr. Hank Gardner, a spokesman from Wyoming, to discuss that state's efforts to hold down healthcare costs. Ms. O'Connell provided a handout of Dr. Gardner's PowerPoint slide presentation from the Healthcare Forum (EXHIBIT 6). SEN. CAFERRO said that Dr. Gardner may be invited to address the Children and Families Interim Committee at its January meeting and perhaps could address the SCEG as well.

00:53:51 SEN. CAFERRO asked Ms. Patera to discuss the problems with the proposed rules regarding assisted living. Ms. Patera discussed the recommendations listed in her letter to the Subcommittee (EXHIBIT 1).

- 00:57:50 SEN. CAFERRO asked Ms. Patera to explain what services can be provided in someone's home which allow them to live at home and function as independently as possible. Ms. Patera explained that it depends on services the person applies for and receives.
- 01:02:09 REP. NOONAN asked Ms. Macfadden to further discuss her concerns regarding the MDC. Ms. Macfadden said she wants to be sure that the patients in the facility are being given proper care. She said that the Board of Visitors, of which she is a member, did a report last spring that lists a number of significant problems at the MDC. Ms. O'Connell said the report is available online.
- 01:06:12 REP. BLASDEL asked that the dual diagnosis issues and the Washington model for shifting of assets be on the January meeting agenda.
- 01:07:11 Ms. O'Connell summarized the committee's decisions. She asked the Subcommittee if it wished to pursue the recommendation from the Montana Dental Association (EXHIBIT 4).
- 01:09:35 SEN. CAFERRO said that a law to combine dual diagnosis issues was created but that there are problems with it and that it is not being used. She suggested that the Subcommittee look at the statute to see what is needed to fix it. Ms. O'Connell discussed the Children's System of Care Account.
- 01:12:03 SEN. CAFERRO asked to look at the long-term care partnerships program and why nothing is being done with it.
- 01:14:27 SEN. WALKER asked if the SCEG's work is overlapping with that of the Children and Families and Health and Human Services Interim Committee. He said it is important not to duplicate efforts in order to be as effective as possible. SEN. CAFERRO said there is not much overlap.
- 01:18:43 REP. NOONAN asked the Subcommittee to study the summary prepared by Ms. O'Connell (EXHIBIT 5) during a short break and be prepared to make decisions on which options to pursue upon reconvening.

BREAK TIME

- 01:47:41 REP. NOONAN called the meeting back to order at 2:22 p.m. Ms. O'Connell said that the Subcommittee has identified several issues for further study:
- review the Children's System of Care Account to make sure it works to provide a single funding stream for dually diagnosed children;
 - improve the Medicaid application and eligibility determination process; and
 - obtain from providers a list of regulations in need of change and a DPHHS response; and
 - review the long-term care insurance partnerships.

Ms. O'Connell suggested that a deadline be established for provider comments on recommendations in order to allow the Subcommittee to conclude its work. REP. NOONAN said that the Washington model for transfer of assets, as requested by REP. BLASDEL, would be added to the list, as would the outcome-based/pay-for-performance model.

01:50:36 SEN. WALKER asked that review of current utilization review contracts be included.

01:52:40 Ms. O'Connell said that Rose Hughes had made a request at a previous meeting to review the Medicaid Redesign Advisory Council recommendations and the statutory requirements for review of Medicaid reports. SEN. CAFERRO said that 53-6-110, MCA, deals with review of Medicaid reports. She discussed several of her concerns regarding the statutory requirements of the reports and asked that copies of the statute be provided to the members. Ms. O'Connell said that the CFHHS Committee has oversight of this issue and will be studying it.

ADJOURNMENT

01:57:44 With no further business before the Medicaid Subcommittee, REP. NOONAN adjourned the meeting at 2:28 p.m.

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