



JENNIFER KENT  
DIRECTOR

State of California—Health and Human Services Agency  
Department of Health Care Services



EDMUND G. BROWN JR.  
GOVERNOR

**Medi-Cal Children’s Health Advisory Panel**

**Meeting Notes**

**MARCH 18, 2015**

**Members**

**in attendance:**

Karen Lauterbach, Non-Profit Clinic Representative; Jan Schumann, Subscriber Representative; Ellen Beck, M.D., Family Practice Physician Representative; Alice Mayall, Subscriber Representative; Elizabeth Stanley-Salazar, Substance Abuse Provider Representative; Wendy Longwell, Parent Representative; Marc Lerner, M.D., Education Representative; Paul Reggiardo, D.D.S, Licensed Practicing Dentist; Jeffery Fisch, M.D., Pediatrician Representative; William Arroyo, M.D., Mental Health Provider Representative; Ron DiLuigi, Business Community Representative; Pamela Sakamoto, County Public Health Provider Representative; Liliya Walsh, Parent Representative

**DHCS Staff**

**in attendance:**

Jennifer Kent, Director; Anastasia Dodson, Associate Director for Policy; Oksana Giy, Health Reform Advisor; Phoebe Sadler, Director’s Office; Danielle Stumpf, Director’s Office; Diana Lopez, Director’s Office; Jon Chin, Acting Chief for Medi-Cal Dental Services Division; Carol Gallegos, Deputy Director for Legislative and Governmental Affairs; Chris Wordlaw, Medi-Cal Dental Services Division; Nik Ratiff, Medi-Cal Dental Services Division; Pilar Williams, Deputy Director for Health Care Financing; Sarah Brooks, Chief of Medi-Cal Quality and Monitoring Division

**Audience:**

Sandra Gallardo, Department of Managed Health Care; Jack Montes, Maximus; Kristen Golden Testa, Children’s Partnership; Bob Isman, Department of Health Care Services; Kelly Hardy, Children Now; Lydia Bourne, AAP-CA

TOPIC	NOTES
<b>I. Opening Remarks and Introductions</b>	Director Jennifer Kent opened the meeting stating she is excited to return to DHCS. She discussed her priorities as the newly appointed DHCS Director, such as improving delivery system processes, the stakeholder engagement initiative, and the impact of the Affordable Care Act. Director Kent asked the panel members to provide an overview of their experience and expertise. Each member gave a brief biography.
<b>a) Review of Charge</b>	Anastasia Dodson read the panel charge, which will be stated at the beginning of each meeting.  <ul style="list-style-type: none"> <li>• <b>MCHAP requested to have the charge read and included on each meeting agenda going forward.</b> <i>DHCS concurs.</i></li> </ul>

<p><b>b) Key Points of Bagley-Keene Requirements</b></p>	<p>Director Kent briefly discussed the Bagley-Keene Act stating that it mandates open meetings for State government comparable to the Brown Act which applies to California city and county bodies.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP requested a Bagley-Keene overview outlining key points.</b> <i>DHCS provided a written overview of the Bagley-Keene Requirements.</i></li> </ul>
<p><b>II. Selection of Advisory Panel Chair</b></p>	<p>The advisory panel was given paper ballots and asked to vote for the 2015 Chairperson. Dr. Ellen Beck was elected by a majority to serve as panel chair. The candidates received the following votes:</p> <p>Candidate: Dr. Ellen Beck - votes received by:</p> <ul style="list-style-type: none"> <li>• Karen Lauterbach</li> <li>• Liliya Walsh</li> <li>• Alice Mayall</li> <li>• Dr. Ellen Beck</li> <li>• Paul Reggiardo</li> <li>• Ron DiLuigi</li> <li>• Dr. Marc Lerner</li> <li>• Dr. William Arroyo</li> </ul> <p>Candidate: Jan Schumann - votes received by:</p> <ul style="list-style-type: none"> <li>• Elizabeth Stanley-Salazar</li> <li>• Wendy Longwell</li> <li>• Dr. Jeffrey Fisch</li> <li>• Pamela Sakamoto</li> </ul> <p>No Selection</p> <ul style="list-style-type: none"> <li>• Jan Schumann</li> </ul> <p>Upon conclusion of the voting, it was decided by the Panel to have Jan Schumann serve as a co-chair on MCHAP. Dr. Ellen Beck expressed her excitement to serve as chair and urged the panel members to continue open communication. She shared her appreciation for DHCS' ongoing support for MCHAP efforts.</p>
<p><b>III. Meeting Minutes</b> <b>a) Review of Meeting Minute Format</b></p>	<p>Dr. Ellen Beck reviewed the January 5<sup>th</sup> MCHAP meeting minutes. The panel requested an alternate format for the meeting minutes which would include a more formal structure, consistency of panel member titles, summaries of each section and documented action items.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP requested to have the meeting minute format changed to include summaries of topics, formal recommendations and action items.</b> <i>DHCS will revise the meeting minute structure to include summaries of topics, formal recommendations from Panel members and action items.</i></li> </ul>

<b>b) Review and Approval of January 5<sup>th</sup> Meeting Minutes</b>	<p>Dr. Ellen Beck motioned for approval of the Meeting Minutes.</p> <p>The panel approved the meeting minutes with the understanding that the requested corrections be made.</p>
<b>c) Tracking Document</b>	<p>Dr. Ellen Beck shared the tracking document that she developed to track open items and next steps for MCHAP. The panel members agreed that a tracking document would provide value to the panel. It was suggested by Dr. William Arroyo to track items that need action such as a motion. Director Kent stated the panel can elect a panel member to update the tracking document as DHCS will use the meeting minutes as a tool for tracking open items.</p>
<b>IV. Deep Dive: Access and Rates</b>  <b>a) Expiration of the Two-year ACA Primary Care Provider Rate Increase and Rate Reduction</b>	<p>Pilar Williams, DHCS Deputy Director of Health Care Financing presented on the expiration of the two-year ACA primary care provider rate increase and rate reduction. Director Kent shared her experience with rate setting stating it is complicated due to county-specific differences, as well as other factors. She also said there are two billion dollars per week being paid to providers and health plans.</p> <p><b>Elizabeth Stanley-Salazar:</b> How do the rates get established for carve outs and what is the state’s role?</p> <p><b>Pilar Williams:</b> Generally carve outs are in the Fee-for-Service (FFS) payment structure. We recently started paying plans differently for HPC. Many new drugs are now covered and the rates were appropriately capitated.</p> <p><b>Jennifer Kent:</b> For California Children’s Services (CCS) there is a rate schedule, which is FFS. As we have been moving children into Managed Care, the rate process has changed. Behavioral Health Therapy (BHT) rate development has been complicated.</p> <p><b>Dr. Marc Lerner:</b> Regarding 100% federal funding, will providers receive the entire amount or will it be distributed through the plans? FFS rates are so low, what is the actuarial reasoning for how these rates are established?</p> <p><b>Alice Mayall:</b> Do you think your rates are adequate for serving kids in CA? Does the department agree with how rates are currently set?</p> <p><b>Jennifer Kent:</b> DHCS submits estimates on what we believe our budget will need to be. Rate discussions, including increases are confidential discussions between</p>

Agency, Department of Finance and DHCS. DHCS stands by the rates that are set. Members of the public are allowed to make recommendations on rate increases but DHCS will not solicit for such recommendations.

**Dr. William Arroyo:** This is much more complicated than I ever imagined. I agree with Dr. Lerner. Given the poverty levels in some southern counties (San Bernardino & Riverside), should we assume that the rates between the two are different? How are they justified?

**Ron DiLuigi:** I know that you gained approval through CMS on an access monitoring plan. What are your results of the monitoring up until this point?

**Jan Schumann:** Are reimbursement rates based on quality of care?

**Dr. Ellen Beck:** I believe the low rates lead to provider adequacy issues. How can we provide any equity? I would like to see the panel make recommendations on increasing rates for primary, specialty, mental and dental.

**Jennifer Kent:** 1202 payments was well-intentioned but among the most difficult of the ACA. We worked collaboratively with the plans to figure out how to get the payments to the providers. It was intended to bring providers in, though we are not sure that we have seen a huge influx of providers. We have to be sure that the doctor who provided the services, actually received the payments. Individuals within the plans can fill out the RDT, so that we may get data back (i.e. encounters, as well as the costs). The amount of data the plans give us is put in and given to the actuaries, then the rates are set. The actuary then has to sign off on the rate. Regarding the department budget, we give two estimates a year. This estimate is what we think we will spend in a year, based on case load and many other things. That estimate is then submitted to the Governor's office. As a department, we will always receive your recommendations but we are not able to ask for your help. Fee-for-Service and Managed Care are two different programs. Fee-for-Service rates are the lowest overall. Managed Care rates are not tied to Fee-for-Service rates. We do have data supporting that these rates are working. We have also made adjustments in the past when a plan says that there is a problem.

- **MCHAP inquired if there was a process for stakeholders to make recommendations on rate increases.**

*MCHAP may provide feedback or recommendations to DHCS at any time. DHCS values stakeholder and*

	<p><i>consumer input. There are many channels by which comments can be submitted to DHCS. The most prominent avenue to submit comments is through stakeholder meetings or forums. DHCS examines all comments received and takes into consideration stakeholder feedback when implementing policies and is developing a tracking process to capture next steps or feedback for all workgroups.</i></p> <ul style="list-style-type: none"> <li>• <b>MCHAP requested the actuarial reasoning for how rates are established.</b> <i>DHCS provided the Medi-Cal Managed Care Rate Setting Methodology document outlining how rates are set.</i></li> </ul>
<p><b>b) Measuring Network Adequacy in Medi-Cal Managed Care Plans</b></p>	<p><b>Sarah Brooks presented on Network Adequacy in Medi-Cal Managed Care Plans. The presentation included information on network adequacy standards, network review components, plan monitoring and evaluation, current efforts and future endeavors.</b></p> <p><b>Wendy Longwell:</b> I have several barriers to access. There are too many people in managed care plans forcing long waits to be seen. I urge you to look at the barriers in rural areas to specialty care.</p> <p><b>Dr. Ellen Beck:</b> I want to strongly support what Wendy has said. This is not just an issue in rural area but also in urban areas.</p> <p><b>Ron DiLuigi:</b> Is the provider network adequate?</p> <p><b>Sarah Brooks:</b> The plans are making changes to their networks.</p> <p><b>Ron DiLuigi:</b> Are the rates having a negative impact on plans?</p> <p><b>Jennifer Kent:</b> It depends on the plans and their reserves. It has not impacted the plans with bigger reserves. There has not been a significant drop. The director has the ability to remove the rate reductions, if it is significantly impacting the plans which happens on a case by case basis. The plans have a great deal of flexibility. Provider contracting is very difficult and every plan is struggling to find specialists.</p> <p><b>The Panel members agreed that access to specialty care is an issue in both urban and rural areas of California.</b></p> <p><b>Alice Mayall:</b> How can we get grievance information to</p>

you about access from families?

**Elizabeth Stanley-Salazar:** How do we communicate that consumers can file grievances regarding barriers to access to care? Are there any efforts to work with medical schools and career colleges to help expand the provider network in specialty areas?

**Dr. Marc Lerner:** There is a waitlist for a year within Autism specialty care for non-emergent/annual visits. How do we increase this workforce so that this is not an issue?

**Dr. Jeffrey Fisch:** Regarding access, why do you think providers are succeeding?

**Jan Schumann:** Relating to health plan contracts, how many contracts are currently suspended or revoked?

**Sarah Brooks:** Currently there are no suspended or revoked contacts.

**Jan Schumann:** Is the department on schedule with the three year audit plan?

**Sarah Brooks:** Yes.

**Liliya Walsh:** What about access to general information on grievances?

**Sarah Brooks:** DHCS has an interactive dashboard that includes information on grievances and appeals.

**Pilar Williams:** Regardless of how high the rates are set; we are limited with the number of specialty care providers. Plans are looking at different ways to provide services in rural areas. The current 1115 waiver is looking at different options. Trying to overcome access issues.

**Sarah Brooks:** We are trying to overcome the barriers that go along with access to care. Looking at how to get more providers in rural areas and possible expansion efforts. We are also looking at different ways to survey providers and beneficiaries.

**Public Comment:** On the rate care bump, the primary care bump is included in two bills. MCHAP could really benefit from an overview of the waiver efforts and how it impacts children in California. It would be beneficial to do a provider participation survey.

**Public Comment:** I second the recommendation to

survey the health plans.

**Dr. Ellen Beck:** I recommend having an interim MCHAP meeting in April to address the open action items regarding access and also to provide formal recommendations.

Anastasia Dodson noted additional stakeholder workgroups at DHCS on these topics. Sarah Brooks provided the panel [MCQMD@dhcs.ca.gov](mailto:MCQMD@dhcs.ca.gov) email address. DHCS will schedule an interim meeting prior to the May 22<sup>nd</sup> meeting to continue the discussion on network adequacy.

- **MCHAP requested additional data on grievances and appeals in the interim while the Managed Care Dashboard is being updated with those measures, with additional information on the nature of each complaint.**  
*The [Medi-Cal Managed Care Dashboard](#) provides information on grievances and appeals which is updated quarterly.*
- **MCHAP requested an overview of the 1115 waiver renewal efforts.**  
*DHCS will provide an overview of waiver efforts at the May meeting.*
- **MCHAP and members of the public recommended DHCS administer a provider participation survey to the health plans.**  
*DHCS is currently looking at options to survey the health plans and beneficiaries which includes the possibility of administering a “secret shopper” survey.*
- **MCHAP requested the total number of health plans that currently have Corrective Action Plans**  
*DHCS currently has one health plan under a Corrective Action Plan for a Medical Audit/Survey with an additional four being imposed in the near future.*
- **MCHAP had a variety of questions regarding network adequacy and access that were unable to be addressed during the meeting due to time constraints.**  
*DHCS addressed additional questions during the interim conference call that was held on April 28, 2015.*
- **MCHAP requested a public meeting prior to the next scheduled MCHAP meeting to discuss Network Adequacy action items and follow-up questions.**  
*DHCS held a 1-hour conference call on April 28, 2015 to discuss items related to network adequacy.*

<p><b>V. Milestones, Goals and Objectives for 2015 Exercise</b></p>	<p>To effectively define the goals and objectives for the Medi-Cal Children’s Health Advisory Panel (MCHAP), DHCS solicited the panel members for areas of interest. The panel voted to establish the areas of focus for the deep dive topics through 2015. Based on the results of the vote the deep dive topic for the May 22<sup>nd</sup> MCHAP meeting will be Care Integration: Physical and Behavioral Health. The panel members requested the remainder of the topics be consolidated as many of the areas overlap. The list of consolidated topics will be revisited at the May 22<sup>nd</sup> meeting.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP requested to have the list of potential healthcare topics consolidated and simplified before voting on topic importance.</b> <i>DHCS has reviewed and consolidated the list of topics and ensured that intersecting topics were grouped together. The simplified list of topics was provided to the Panel members prior to the May meeting.</i></li> </ul>
<p><b>VI. Deep Dive: Dashboards – DHCS Dashboard Initiative</b></p>	<p>Linette Scott, Chief Medical Information Officer and Deputy Director of Office of Information Management began presented on the DHCS Dashboard Initiative.</p> <p>Anastasia Dodson stated that the creation of a pediatric focused dashboard is a priority for DHCS and would like to solicit participation from the panel members in the planning and development. The panel agreed that a pediatric dashboard is a priority. Anastasia Dodson recommended creating a subcommittee that would focus on these efforts. Based on the level of interest of the Panel a subcommittee was formed to focus on the creation of a pediatric focused dashboard. The subcommittee members include:</p> <ul style="list-style-type: none"> <li>• Dr. Marc Lerner</li> <li>• Karen Lauterbach (Chair)</li> <li>• Pamela Sakamoto</li> <li>• Dr. Jeffery Fisch</li> <li>• Dr. William Arroyo</li> <li>• Alice Mayall (Co-Chair)</li> </ul> <p>Linette Scott continued the presentation on dashboards addressing several questions from the Panel Members. She stated that enrollment data broken out by aid code was the first indicator added to the open data portal and that an enrollment dashboard is currently being discussed internally at DHCS. She also gave information on the Managed Care dashboard that includes Ombudsman information such as grievances and appeals.</p> <p><b>Dr. Ellen Beck:</b> Many of these reports did not include data</p>



	<p>on outcomes. Outcomes data is harder to achieve but I would like to see a direction of moving towards collecting outcomes data.</p> <p><b>Dr. William Arroyo:</b> Even if we determine what important outcome measures are, is that feasible?</p> <p><b>Linette Scott:</b> Some measures are more straightforward than others, so it depends on what they are.</p> <p><b>Anastasia Dodson:</b> Feasibility aside, we should look at what measures are a priority for us.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP would like to review various data entries including enrollment, renewals, grievance, etc.</b> <i>DHCS will provide MCHAP with data updates on an ongoing basis as available.</i></li> <li>• <b>MCHAP motioned to create a subcommittee that will focus on the development of a pediatric dashboard.</b> <i>DHCS will support the subcommittee consisting of 6 MCHAP members who will collaboratively work on a pediatric dashboard with DHCS.</i></li> </ul>
<p><b>VII. Member Updates and Follow-Up</b></p> <p><b>a) Dental Program Updates Concerns/Follow-up for next meeting</b></p>	<p><b>Dental Program Update: Dr. Marc Lerner</b></p> <p>Dr. Marc Lerner provided an overview of children’s dental coverage concerns. Updates included an overview of the dental audit and areas of concern, in which the audit made several recommendations to the Denti-Cal program. Paul Reggiardo and Dr. Marc Lerner agreed to both look at the report and the data measures and provide formal recommendations on behalf of MCHAP. DHCS Medi-Cal Dental Division was in attendance and stated the performance measures will be reported publicly each October. Paul Reggiardo and Dr. Marc Lerner will provide additional comments on children’s dental at the May 22<sup>nd</sup> MCHAP meeting.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP requested an update regarding the audit and performance measures</b> <i>DHCS response was provided to the panel members in the May 22<sup>nd</sup> meeting materials.</i></li> </ul>
<p><b>b) Best Practices</b></p>	<p><b>Practical Approaches: Alice Mayall</b></p> <p>Alice Mayall requested to address consumer messaging and noticing at each MCHAP meeting. Anastasia Dodson reminded the panel that there are other workgroups at DHCS that solely focus on consumer messaging and noticing. Dr. Ellen Beck recommended reviewing forms</p>

	<p>that are sent statewide initially.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP would like to address practical approaches including consumer messaging on notices.</b> <i>DHCS shared information on the Consumer-Focused Stakeholder Workgroup and AB 1296 Workgroup; which both focus on consumer messaging and noticing.</i></li> </ul>
<p><b>VIII. General Updates</b>  <b>a) Enrollment Data</b>  <b>b) Overview of DHCS Stakeholder Groups</b></p>	<p>Anastasia Dodson provided an update on Medi-Cal enrollment stating that the enrollment exceeded the initial projections and 70% of applications are being enrolled into coverage real-time. The panel requested to have the enrollment data broken out by children which will be a feature in the pediatric dashboard that is currently being developed. Dr. William Arroyo requested to have an update on Medi-Cal renewals as he believes several beneficiaries are being disenrolled due to backlog issues. Anastasia Dodson provided an overview of the renewal policy stating Counties were asked to focus on processing applications rather than renewals. The policy was to keep people covered under Medi-Cal and the renewal process started in October of 2014. Due to the new modified adjusted gross income (MAGI) rules, beneficiaries who were enrolled in coverage prior to January 1, 2014 will need to provide tax household information which was not previously required. DHCS sent out Request for Tax Household Information (RFTHI) forms and requested beneficiaries complete and return the forms to retain coverage. The panel requested data on disenrollment.</p> <ul style="list-style-type: none"> <li>• <b>MCHAP would like an update on enrollment data by children.</b> <i>DHCS will provide a verbal update on enrollment data at the May 22, 2015 meeting.</i></li> <li>• <b>MCHAP requested to have an update on disenrollment data.</b> <i>DHCS will provide a verbal update on disenrollment data at the May 22, 2015 meeting.</i></li> </ul>
<p><b>IX. Other Action Items</b></p>	<p><b>Next Meeting: May 22</b></p>

	<ul style="list-style-type: none"><li>a) DHCS to schedule and hold interim conference call to discuss Network Adequacy recommendations and open items</li><li>b) DHCS to develop and schedule Pediatric Dashboard sub-committee</li><li>c) May 22<sup>nd</sup> Deep Dive: Care Integration: Physical and Behavioral Health</li><li>d) DHCS to discuss the feasibility of a legislative update.</li></ul> <ul style="list-style-type: none"><li>• <b>MCHAP requested a standing legislative update to be provided at each meeting that would include all pending legislation that relates to children in California.</b> <i>MCHAP may choose to agendize discussion on specific legislation, but due to Administration policy and workload constraints DHCS will not be able to provide an update at each meeting on all legislation affecting children in California.</i></li><li>• <b>MCHAP Chair and Co-Chair will complete a mission and vision statement for MCHAP.</b></li></ul>
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