

MEDICAID OVERSIGHT AND ADVISORY COMMITTEE

Minutes of the 1st Meeting of the 2022 Interim

November 10, 2022

Call to Order and Roll Call

The Medicaid Oversight and Advisory Committee meeting was held on Thursday, November 10, 2022, at 10:00 AM, in Room 131 of the Capitol Annex. Representative Daniel Elliott, Chair, called the meeting to order, and the secretary called the roll.

Present were:

Members: Senator Stephen Meredith, Co-Chair; Representative Daniel Elliott, Co-Chair; Senators Ralph Alvarado, Danny Carroll, and Jimmy Higdon; Representatives Jim Gooch Jr., Melinda Gibbons Prunty, and Lisa Willner.

Guest Legislators: Representative Kimberly Poore Moser.

Guests: Eric Friedlander, Cabinet Secretary, Cabinet for Health and Family Services; Amy Staed, Executive Director, Kentucky Association of Private Providers; Lisa Lee, Commissioner, Department of Medicaid Services, Cabinet for Health and Family Services; Paige Mankovich, Market Head; Jennifer Nachreiner, Health Services Officer; and Kelly Pullen, Head KY SKY Program, AETNA Better Health of KY.

LRC Staff: Chris Joffrion, Logan Bush, and DJ Burns.

Approval of Minutes

A motion to approve the October 13, 2022, minutes was made by Senator Meredith, seconded by Representative Gibbons-Prunty, and approved by a voice vote

Inspection of Residential Care Facilities

Eric Friedlander, Cabinet Secretary, Cabinet for Health and Family Services, discussed the inspection process for residential care facilities.

In response to questions and comments from Representative Elliott, Secretary Friedlander stated that residential care facilities are immediately inspected on complaints, but it can be up to three years between regularly scheduled inspections, due to staff shortages. He stated that inspection guidelines differ from state to state.

In response to questions and comments from Senator Carroll, Secretary Friedlander stated that one of the most serious infractions a provider can make is to not report incidents to the cabinet.

In response to questions and comments from Senator Higdon, Secretary Friedlander stated that providers are required by federal standards to treat patients and make them medically stable before being discharged and if the provider fails to comply with those standards, complaints should be sent to the cabinet.

In response to questions and comments from Representative Moser, Secretary Friedlander stated that 70–80 percent of the patients discharged to independent living facilities are followed up on by the cabinet with monthly visits.

In response to questions and comments from Representative Gibbons-Prunty, Secretary Friedlander stated that the regular inspections could take up to three years.

Amy Staed, Executive Director, Kentucky Association of Private Providers, discussed the inspections of residential care facilities and the Kentucky Association of Private Providers opinion on 23RS BR69.

In response to questions and comments from Representative Elliott, Ms. Staed stated that any system can be improved but the current system for inspections is the best it has ever been. She stated there are several avenues for complaints to be made.

In response to questions and comments from Senator Meredith, Ms. Staed stated that in her opinion the incidents described by Ms. Slusser were due to her son needing exceptional support and that the facility he was in was not equipped to provide that level of care. She stated there is currently a gap in the system for those patients with exceptional needs.

In response to questions and comments from Senator Higdon, Ms. Staed stated that the current rate is approximately \$184 a day per patient for residential facilities. She stated that SSI mandates that residents pay their fair share or their income could be taken away. Facilities charge conservative rent to ensure residents retain a good portion of their income for other expenses not related to care or life support. Secretary Friedlander stated that Medicaid is prohibited from paying for room and board expenses.

Cabinet for Health and Family Services Update on the Basic Health Program: What is it and what is the status of development?

Eric Friedlander discussed 21RS HJR 57. Lisa Lee, Commissioner, Department for Medicaid Services, Cabinet for Health and Family Services, discussed the basic health program, steps taken toward the development of a basic health program, and the costs associated with implementing it.

In response to questions and comments from Representative Moser, Secretary Friedlander stated that the cabinet has worked with Kentucky Center for Statistics and the Georgia Center for Opportunities to develop a benefits cliff calculator. He stated that working around the Advanced Premium Tax Credit has proven to be a challenge. Commissioner Lee stated that a trust fund would need to be established for funds to be held in.

In response to questions and comments from Senator Meredith, Secretary Friedlander stated that the reimbursement rate was set at 110 percent to be above Medicaid and approach the average commercial rate.

Medicaid Budget Update

Eric Friedlander discussed the total number of individuals enrolled in Kentucky Medicaid, future appropriations needed, public health emergency related changes, and Medicaid benefit budget. Lisa Lee discussed waiver expenditures, expansions of hearing, vision, and dental benefits for adult Medicaid members, and the transition of members with third party liability to the fee-for-service population.

In response to questions and comments from Representative Elliott, Secretary Friedlander stated that the enhanced Federal Medicaid assistance percentage has been extended until January 2023.

In response to questions and comments from Senator Meredith, Commissioner Lee stated that she couldn't answer if Medicaid payments are adequate without an in-depth rate study. Secretary Friedlander stated that Medicaid covers waiver services that no other carrier covers. He stated the state does not require MCO's to also provide commercial services to the public.

In response to questions and comments from Senator Alvarado, Secretary Friedlander stated that priorities of the extra funding are for dental care and providing adequate reimbursements for providers.

In response to questions and comments from Representative Willner, Secretary Friedlander stated that telehealth and other changes that were made during the pandemic have been very successful especially in rural areas. He stated that the cabinet is looking into non-emergency medical transportation to assist members. Commissioner Lee stated that only seven percent of the Medicaid members that can work are not working at the national level.

In response to questions and comments from Representative Elliott, Secretary Friedlander stated that as of now the PHE is scheduled to be ended in January. He stated that any general fund dollars taken out of the budget this year will have to be put back next

year. He stated the enhanced funding from the extended PHE is approximately 50 million a month.

Medicaid Managed Care Organizations' Efforts to Improve Health Outcomes, Network Adequacy, and Access to Care – Part 6

Paige Mankovich, Market Head, Aetna Better Health of KY, discussed network adequacy, the effectiveness and efficacy of substance abuse treatment programs, and strategies for addressing the critical financial position of rural healthcare providers. Jennifer Nachreiner, Health Services Officer, Aetna Better Health of KY, discussed initiatives to improve the health of the Medicaid population, effectiveness and efficacy of substance abuse treatment programs, and strategies for enduring healthcare delivery equity. Kelly Pullen, Head KY SKY Program, Aetna Better Health of KY, discussed the KY SKY Program.

Adjournment

There being no further business, the meeting was adjourned at 12:33 PM.