COMMISSION ON FAMILY MEDICINE
FY 2009-10 JOINT BUDGET COMMITTEE HEARING AGENDA

Wednesday, December 17, 2008
9:00 – 9:30

9:00-9:10 **INTRODUCTIONS AND OPENING COMMENTS**

9:10-9:30 **QUESTIONS COMMON TO ALL DEPARTMENTS**

1. What are the Commission's three top goals for the current year? How will the goals be achieved?

2. How does your requested decision items tie to your goals?

3. Please justify why the $200,000 total fund increase ($100,000 General Fund increase) must be funded in FY 2009-10 and why it cannot be postponed until FY 2010-11.

{Please note that the other three common questions to Departments do not apply to the Commission, the Commission has no state FTE or vehicles and as a private entity would not be impacted by a four day work week}.

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING
FY 2009-10 JOINT BUDGET COMMITTEE HEARING AGENDA

Wednesday, December 17, 2008
9:30 am – 5:00 pm

HEALTH CARE POLICY AND FINANCING

9:30-10:00 INTRODUCTIONS AND OPENING COMMENTS

10:00-10:20 QUESTIONS COMMON TO ALL DEPARTMENTS

1. What are your department's three top goals for the current year? How will they be achieved?

2. How do your requested decision items tie to your goals?

3. If you have submitted a General Fund decision item, justify why it must be funded in FY 2009-10 and why it cannot be postponed until FY 2010-11.

4. Could your department shift to a four day work week that begins on Wednesday and ends on Saturday? If not, why not? If only a portion of the department can go to a four day week, what portion can and what portion cannot and why?

5. Has your department been able to fill new or vacant positions? Can your department quantify the benefits it has seen as a result of adding additional FTE or filling vacant positions?

6. How many employees, especially among upper management, are assigned a state vehicle to travel between home and work? How many state vehicles does your department use to transport staff? Would it be more cost effective to reimburse employees for using their personal vehicles for these purposes?

10:20-10:30 BREAK

10:30-11:15 MEDICAID PROGRAM & MMA STATE CONTRIBUTION PAYMENT

7. Please provide an overview for the Department's FY 2008-09 an FY 2009-10 budget forecast for the Medical Services Premiums Line Item that includes a discussion of the following questions below.

8. Please explain all of the prior year budget actions and prior legislation that are annualized in order to calculate the FY 2009-10 base Medical Services Premiums line item before forecast adjustments (see page 19 of staff briefing). What are the State policy objectives are being achieved from the prior year's budget actions for the Medical Services Premiums line item?

9. While the Department's FY 2008-09 revised caseload forecast indicates growth of approximately 7.6 percent growth over the restated FY 2007-08 actual caseload, the Department's FY 2009-10 caseload forecast indicates growth of only 3.2 percent. Is this reasonable? During the last economic downturn there were three years of double digit growth for the Medicaid caseload. Please explain why the Department believes caseload growth will be more moderate during this economic downturn.

10. Other than caseload increases, what are the other factors increasing the Medical Services Premiums line item. What is impacting the per capita cost increases for acute care, community long-term care, institutional long-term care, other insurance costs, and administrative service costs? What is the Department doing to reduce or control the increase in per capita costs for the Medicaid program?

11. When extending Section 24-75-109, C.R.S. (over-expenditure authority) would there be any benefit to placing a cap on the over-expenditure authority for the Medicaid program? Would a one-year review process for the over-expenditure authority be better than a five-year review? Should any other changes to the section be made rather than just another five-year extension (i.e. would including the Medicare Part D State Contribution Payment be beneficial)?

12. Does the Department anticipate that there will be a FY 2008-09 supplemental request for the Medicare Modernization Act (MMA) State Contribution Payment based on the most recent information from the Centers for Medicare and Medicaid Services (CMS) regarding the calculated per capita cost per dual eligible?

11:15-12:00 CHILDREN'S BASIC HEALTH PLAN BUDGET OUTLOOK

13. Please provide an overview for the Department's FY 2008-09 an FY 2009-10 budget forecast for the Children Basic Health Plan that includes a discussion of the following questions below.

14. Please explain the impact that the Deficit Reduction Act of 2005 has had on the CBHP caseload. Please explain why the FY 2009-10 caseload is forecasted to be lower than the original forecast for FY 2008-09.

15. Please explain how the $1.4 million in additional outreach and marketing activities has been disbursed.

16. Please describe how the Department is addressing the State Auditor's concern regarding how to measure the effectiveness of the CBHP program's current marketing and outreach activities. Please address how the Department is collecting and analyzing data regarding how clients find out about the CBHP program and on how to determine the effectiveness of any marketing or outreach strategy. Specifically address why past outreach success was based on the number of marketing calls as opposed to the actual number of children newly enrolled.

17. Please explain why the program for marketing determines program success on number of marketing calls as opposed to number of children served.

18. As federal poverty levels for eligibility in the CBHP program are increased, would it be good public policy to increase co-pay, enrollment fees, or premium sharing?

19. Please respond to the State Auditor's recommendations about internal controls for the collection of enrollment fees and the costs associated with adding greater controls.

12:00-1:30 LUNCH BREAK

1:30-2:30 SERVICE DELIVERY AND OUTCOMES

20. Please provide an overview for the Department's Accountable Care Organizations proposal including addressing the questions below.

21. Please explain how the Department selected the regions for the ACOs. Are the regions based on geography, demographics, availability of services providers, or other rationales?

22. Explain the need for the administrative fees and for the amount that the Department selected. Explain why $4.00 of the administrative fees must be put into an escrow account for incentive payments instead of using (sharing) back savings from the program. How will providers qualify for incentive payments? What performance measures will be established to determine for the program's success?

23. How will the Department integrate pharmacy services under the care coordination concept presented in this proposal?

24. Explain how spending additional money on primary care will lead to reduction in other areas of medical costs? Please give concrete examples.

25. Please provide examples from other states or studies that justify the Department's assumed savings of eventually 12 percent of per capita costs.

26. Wouldn't better health outcomes be achieved if incentive payments were provided patients instead of providers?

27. Please update the on the three cost containment initiatives that the Department has implemented during the last two years and how they will part of the Departments ACO proposal: (1) Disease Management Programs; (2) Colorado Regional Integrated Care Collaborative Initiative; and (3) Medical Homes.

2:30-3:15 ELIGIBILITY AND ENROLLMENT PROCESS

28. Please provide an overview for the Department's Eligibility Modernization Project including responding to the questions below.

29. Please present the outcomes of the "Best Practices Study" that performed by Public Knowledge regarding the current eligibility and enrollment process.

30. Please explain how the Eligibility Modernization Project impacts the Colorado Benefits Management System (CBMS). Explain the differences between the CBMS project to create a new front end to CBMS to simplify medical eligibility determinations and the management systems that will be developed under the Eligibility Modernization Project.

31. Please present information regarding the recent PERM (payment error rate measurement project) as well as recent state audit findings regarding erroneous payments for ineligible clients and how the Eligibility Modernization Project may reduce these errors.

3:15-3:30 LUNCH BREAK

3:30-4:15 MEDICAID PRESCRIPTION DRUG AND REFORM INITIATIVES

32. Please present the cost savings related to the different prescription drug initiatives implemented over the last several years as well as the initiatives contained in the Department's FY 2009-10 budget request.

33. Please explain the methodology for the Maximum Allowable Cost program. How did the Department determine that acquisition cost plus 18 percent is the proper reimbursement level to ensure pharmacies are not reimbursed below acquisition costs but that prescription drug savings would still occur for the state?

34. Explain the Department's current prescription drug rules related to the number of day supply that Medicaid clients are able to fill? Can local pharmacists fill a 90 day prescription or is that only allowed through mail-order?

35. Is the State taking advantage of the low prescription drug programs being offered by different retailers?

36. Please briefly describe the different Medicaid reform initiatives contained the Department's FY 2009-10 budget request.

37. Isn't a doctor's prescription for oxygen a prior authorization and isn't oxygen an item that someone needs immediately upon prescription? Please explain how the gate keeper function for the Department's oxygen initiative won't impact the health of clients.

38. Explain the Department's rationale on how 2.0 percent savings will be achieved during the first year of implementation for the oxygen initiative.

4:15-4:45 STRATEGIC LOOK AHEAD

39. How does the Department recommend the General Assembly address the FY 2011-12 projected budget deficit for the Health Care Expansion Fund?

40. What is the Department's strategic outlook for the Indigent Care Program? Does the Department anticipate that the General Assembly will continue to appropriate $15.0 million to this program after the requirement from S.B. 06-044 expires?

41. Explain how the Department's budget initiatives will help control or mitigate the rising costs for long-term care? Please describe the strategies that the Department is using to control the costs of nursing facilities while moving more clients to Home and Community-Based Services.

42. Please present the Department's preliminary findings from the Request for Information for the Value Benefit Plan.

43. Is the Department considering introducing a bill to implement a hospital provider fee and to use that funding to increase reimbursement for inpatient hospital care?

4:45-5:00 CLOSING COMMENTS

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

44. Please explain the square footage calculations for the additional rent space that the Department is requesting.

45. Is the audit of the school-based health services program required by the Centers for Medicare and Medicaid Services?

46. Could we make the nursing facilities pay for their audits?

47. Please describe the methodology that the Department uses to determine which provider classes or services receive rate increases and which providers or services do not receive rate increases.

48. Please provide an update on the funding for the Old Age Pension Medical Program.

49. Please provide an update on the implementation of S.B. 06-128, Pilot Program for the Disabled.