South Dakota Health Care Solutions Coalition
Meeting Notes August 29, 2018

Attendees: Kathy Bad Moccasin, Corey Brown, Sara DeCoteau, Rep. Mike Diedrich, Terry Dosch, Mark East, Toni Kenefick-Aschoff, Deb Fischer-Clemens, Rep. Wayne Steinhauer, Kim Malsam-Rysdon, Tim Rave, Kelsey Roth, Kelsey Smith, William Snyder, Jennifer Stalley, Brenda Tidball-Zeltinger, Lynne Valenti, Dr. Brian Shiozawa, Dr. Mary Carpenter, Senator Jeff Partridge, Shelly Ten Napel.

Other Attendees: Bob Mercer

Welcome and Introductions

Kim welcomed the group. All meeting materials and minutes are posted on the Board Portal at: https://boardsandcommissions.sd.gov/Meetings.aspx?BoardID=145

Review Last Meeting Minutes

At the last meeting, the group discussed an overview of the budget adopted during the 2018 Legislative Session. The group discussed the status of the care coordination agreements which are in place with the large health systems. Bill Snyder provided an update on the savings achieved, and the shared savings agreements status were discussed. Subcommittee updates were provided by the Community Based Shares Savings and Alternative Service Delivery subgroup. DSS also provided an update regarding the proposed Medicaid community engagement and work requirements waiver.

Progress Update - Policy Implementation

For care already referred by Indian Health Service, Bill Snyder outlined that in addition to the large health systems care coordination agreements are also in place for the largest dialysis providers and Bennett County hospital. DSS is now focused on other hospitals interested in participating. Shared savings agreements are also in place with the three health systems and dialysis providers. Bill outlined that SFY18 savings was $4.6 million. Representative Steinhauer suggested the projected shared savings by provider also be included as a way for providers to understand the opportunity and to attract other providers to participate. Bill Snyder indicated that the monthly report will be modified to show that information. There is still an outstanding question as to whether Indian Health Service can participate in the shared savings agreement. Dr. Shiozawa asked what the estimated amount of shared savings was for Indian Health Services; estimates developed last year for the SFY2019 budget were just under $400,000. The shared savings payments will be an annual payment to the providers at the end of the fiscal year 2019 based on the prior 12-month period.

Subcommittee Updates

Kim thanked members of the subcommittees for their work. The Community Based Providers Shared Savings subgroup has met monthly since January. Work in this area is focused on Psychiatric Residential Treatment Facility, Community Support, and Nursing Home services. This category of care is not referred by IHS today but the group is focusing on developing that referral process to meet the policy requirement. The numbers of individuals are smaller but the services are higher cost and longer term. In the Nursing Home area, Avera is working with Indian Health Service regarding about 30 patients and developing the actual referral using information on these known patients. This group is slated to meet in September. There is also a meeting scheduled between Sanford and IHS on September 11 regarding patients in the Chamberlain area. Black Hills Receiver is also an opportunity in the Rapid City area. The other opportunity is Bennett County Nursing Home. Challenges in Indian Health Service staff availability to help define the referral process have delayed the ability to develop projections for the opportunity to refine the referral process and opportunity. The group hopes to have more information to make budget projections in the next two months.

Community Support Providers and Psychiatric Residential providers continue to focus on educating IHS regarding these services and build referral processes from IHS. Dan Cross will be working to link local community support providers to Indian Health Service to provide this education.

The Alternative Service Delivery subgroup has been working to develop an 1115 waiver application to implement alternative service delivery models focused on primary care. The goal is to increase primary care visits provided through federally qualified health centers (FQHC) and reduce hospitalizations including both inpatient and emergency department use. The initial phase focuses on a smaller group of providers including Horizon Healthcare in Mission, Community Health Centers of the Black Hills in Rapid City, and Urban Indian Health in Sioux Falls and Pierre. There was consensus from the subgroup regarding the waiver services, outcome reporting, and service delivery model. There was concern raised about use of the OMB encounter rate (same rate used to reimburse Indian Health Services through Medicaid) as the basis for reimbursement. As a result, the subgroup recommended a smaller workgroup comprised of members of the initial sites work to develop an alternative to the OMB encounter rate.

Brenda Tidball-Zeltinger outlined that the rate workgroup met regularly throughout the last few months and has developed a rate methodology that includes both actual costs as outlined by cost reports coupled with projected new costs resulting from implementation of the waiver. Brenda thanked Shelly Ten Napel and the other FQHC sites for their work. The smaller group will take its final recommendation to the larger subgroup for consideration at its next meeting which is being scheduled for late September. The goal of that meeting will be to adopt the rate recommendation and finalize the draft application for submission to CMS. Bill Snyder and other staff have had discussions with CMS about the waiver to determine if there is additional information needed to enhance the chances for success. Dr. Shiozawa indicated federal budget neutrality is an area that will be scrutinized in all 1115 waiver applications.

Brenda outlined the process for submission of the waiver once finalized which includes a formal public comment period including public meetings to present the waiver. Once submitted CMS and CMS indicates that the application is complete they will initiate a public comment period as well. There is no formal timeline for CMS to approve an 1115 waiver.

Other Medicaid Updates

Bill Snyder gave an update about progress on the community engagement and work requirements waiver proposal. The Department of Social Services partnered with the Department of Labor and Regulation to form a stakeholder workgroup to discuss the details of an 1115 waiver proposal. The program targets low-income parents eligible for Medicaid living in Pennington and Minnehaha Counties. The waiver is built to be flexible with an individualized plan for each person. The waiver was submitted August 13th. CMS has acknowledged the application is complete. CMS will initiate another public comment period. There is no statutory timeline for CMS to approve an 1115 waiver. Deb Fischer-Clemens asked about the process for individuals that are hospitalized and not eligible for Medicaid in the future because of the work requirement. Individuals should continue to be referred to DSS to determine Medicaid eligibility as they are today. Bill clarified that there are numerous qualifying activities that count toward work and transitional medical coverage, premium assistance, and other paths to coverage are part of the approach. There may be a very small number of individuals that choose not to participate. Lynne Valenti noted that the individualized approach will support individuals to be successful and maintain coverage.

Kim also noted that the Community Based Shared Savings subgroup had requested development of a one- page brief to outline how the policy is being implemented and to frame out the next steps and potential opportunity. Representative Steinhauer noted that the brief was extremely well done and helpful in educating stakeholders on the issue. A copy of the brief will go out to the coalition with the meeting minutes.

Next Steps/Next Meeting Date

The next meeting will include an update on implementation of the coalition's prior recommendations including substance use disorder coverage, adding behavioral health providers, community health worker services, and provider rate adjustments. Kim also reminded the group that the other initiative recommended by the coalition was to implement innovation grants focused on primary and prenatal care with the goal of incenting and promoting creativity to develop new ways to deliver these services and reduce high cost service use such as neonatal intensive care. The state will be looking for volunteers to define the requirements and outcome evaluation process. Reinvesting savings accrued to date on a one-time basis lends itself well to this model of demonstration before considering ongoing funding.

Next meeting will be November 28th from 10:00 am to 11:30 am.