

## PERC Meeting Minutes

Date: August 19, 2009,  
Time: 10:00 am – 12:40 pm  
Place: EDS

Attending :  
Refer to face sheet listing

**Distribution List: PERC Board, KHPA and EDS**

Topic	DISCUSSION	DECISION AND/OR ACTION
<p><b><u>Review of Minutes &amp; Introductions</u></b></p>	<p>Review of minutes from 6/24/2009</p> <p>Introductions Attendees introduced themselves Debbie Huske was introduced as a new member of the KHPA staff</p>	<p>Minutes Approved</p>
<p><b><u>Budget Update</u></b></p>	<p>Dr. Margaret Smith gave a brief overview of the budget. She reviewed the changes in the KHPA organization:</p> <ul style="list-style-type: none"> <li>• Marci Nielson resigned returning to KU Medical Center as the Executive Vice Chair of Policy.</li> <li>• The acting Executive Director for KHPA is Dr. Andrew Allison who previously held the position of Medicaid Director.</li> <li>• Dr. Barb Langer is now the Medicaid Director.</li> </ul> <p>Dr. Smith stated that within KHPA there have been other changes:.</p> <ul style="list-style-type: none"> <li>• The focus for the units is to become more “functional”. This will be done by combining the medical and data expertise and dispersing it throughout the units.</li> <li>• Brenda Kuder is no longer the senior manager of the Fee for Service team and now reports to her directly as Deputy Director of Health Resources Management.</li> <li>• There is a physician and non institutional reimbursement unit.</li> <li>• There is a hospital and institutional reimbursement unit.</li> <li>• Debbie Huske is the senior manager of the professional unit and physician unit.</li> <li>• Janelle Garrison, Sandra Akpovana and Kim Brink report to Ms. Huske</li> <li>• Ron Smith is senior manager of the institutional reimbursement team.</li> <li>• Scott Bears was formerly under the hospital services but now reports to Ron Smith..</li> </ul> <p>Impact to contracts:</p>	

	<ul style="list-style-type: none"><li>• Reductions in the EDS contract resulted in resulting in 42 positions being eliminated. EDS were required to preserve critical positions or certification for MMIS claims payment to prevent being deemed out of compliance with CMS. The reduced positions were taken from provider and customer service areas at EDS.</li><li>• Other contracts were reduced or eliminated to meet budget requirements..</li><li>• KHPA is trying find funds for PDL as it had to be cut and that KHPA utilized DERP out of Oregon State University as KHPA referenced the drug effectiveness research for different classes of medications through DERP.</li><li>• KHPA has done some things at EDS to try to mitigate the loss of the Customer Service and Provider Representatives by relying more on automated systems and developing FAQ's. KHPA has also been working with the professional societies to let them know what is being done.</li><li>• KHPA will continue to reach out and find out how better to serve the beneficiaries and providers.</li></ul> <p>The Governor has asked KHPA to come up with an additional 5% for reductions in the 2011 budget. KHPA must have their recommendations to the Governor by November 2009. A KHPA Board meeting was held yesterday and Dr. Allison presented alternatives for the Board to consider as potential reductions for the 2011 budget. The ideas presented were; rate leveling of the physicians fees bringing all physician's up to 84% of Medicare, implementing a co-pay for non-emergent Emergency Room visits, increasing the premium for SCHIP, and developing a PDL for mental health drugs. The Board will vote on the presented option during their September. board meeting and then present the results to the Governor.</p> <p>Dr. Smith discussed the Clearinghouse contract explaining that they are the entity that starts the application process for the beneficiaries. The contract was awarded this spring to PSI (Policy Solutions Incorporated). The contract will be implemented January 1, 2010 and the transition appears to be going smoothly. There is a 16,000 application backlog at this time and it is thought to be a result of the budget reductions. KHPA was able to find some funds to pay for over-time to catch up on the backlog. Hopefully by the time PSI assumes the contract the backlog will be resolved and KHPA can get the needed people onto the roles and get their medical needs addressed.</p>	
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<p><b><u>PERM Program Update</u></b></p>	<p>Lou Ann Gebhards provided an update on the Payment Error Rate Measurement (PERM) audit. Lou Ann said KHPA participated in the first round in 2006 and are now in the second cycle (every 3 years). Seventeen states are in this cycle of PERM and are in the process of submitting the data samples. PERM looks at a year's worth of claims and a year's worth of eligibility for Medicaid and CHIP. There is a new letter used this year for the process in requesting records. PERM has until 2012 to have everything completely reviewed. The results are published based on a national Medicaid Error Rate and this is a matter of public record. The 2006 report came out in 2008.</p>	
<p><b><u>Transportation Broker</u></b></p>	<p>Tracy Conklin announced that effective November 1, 2009 there will be a Transportation Broker Program and KHPA has awarded the contract to Medical Transportation Management, Inc. (MTM). MTM is a national company with experience as a transportation broker. Tracy reviewed the history of the program and explained this started with the Deficit Reduction Act of 2005 to assist and allow States to explore other options for providing NEMT transportation. This program will apply to the Fee For Service population only. Members of the MCO's are not included in this change. The broker must have oversight procedures in place to monitor beneficiaries and providers and the state will oversee the broker. This is a 2 year contract with 3 optional 1 year renewals. KHPA will monitor the financial records to determine if renegotiation is necessary. MTM currently contracts with Children's Mercy Family Health Partners and at the time of contract signing had 24 providers throughout the state of Kansas, MTM was the only bidder with an established network in Kansas, which played a role in the vendor selection process. The broker is currently meeting with NEMT and medical providers to build relationships and plans to open phone lines for service October 26, 2009. The broker program provides NEMT level I, ambulatory and level II non-ambulatory service. The primary populations affected by the change are the Disabled and Aged populations. All rides will require prior authorization and MTM will then direct trip requests to their network of providers. This will create a system of checks and balances to control waste and abuse and streamline the process for everyone.</p>	

<p><b><u>URAC</u></b></p>	<p>Tracy Wagner presented (URAC) Utilization Review Accreditation Committee. She stated this was a corporate initiative within EDS expanding what they would like to offer for medical management. This process looks at the models to assist Medicare, Medicaid and private health insurance in managing quality of care, cost initiatives and improving the quality of medical care. Tracy stated that one of the things necessary in building a model was to obtain certification. The goal is to prove what EDS offers is within the standards of care. EDS focused on getting the URAC started by performing utilization review on Prior authorizations. EDS's goal is to make sure that prior authorizations (PA) meet program requirements. After implementation of the process EDS believe it is clear that PA's are meeting the program requirements. Another focus of URAC noted that the PA process lacked physician review. This process requires a physician review anything that may be denied for medical necessity prior to being denied. KHPA also requires Dr. Smith (or designee) review the denies overrides before they are final. Tracy explained that prior to a nurse denying the PA, a physician has to review the case and not the general standards. Tracy said that EDS utilizes physicians contracted or employed by EDS who currently review anything a nurse identifies for a denial for medical necessity. The physicians have a 24 hour turn around. EDS uses a software application called Atlantes to document all of the information, and get it to the physicians. Tracy said the physicians get their findings back to EDS the next morning and they use the approved KHPA criteria. The physicians make sure EDS nurses have interpreted the criteria correctly and any disagreements go through the program managers' and Dr. Smith. Tracy stated the medical team consists of 4 physicians, Dr. Kit Gorton MD, a board certified pediatrician and medical director for URAC, Dr. Jaan Sidorov MD, Internist; Dr. Bob Forester MD, internal medicine specialist and Dr. Bob Sack MD; employed by URAC and contracted to assist in the process. Dr. Sack is a board certified psychiatrist. Examples were given as to what cases could be reconsidered due to medical necessity. Dr. Smith emphasized the URAC physicians do not change KHPA policy.</p>	
<p><b><u>Next Meeting</u></b></p>	<p><b><i><u>The next meeting is scheduled for Wednesday October 21, 2009.</u></i></b> Please contact Susan Wood for agenda items and questions at (785) 368-6300. Contact Jan Provost at (785) 274-4213 if you have any questions regarding these minutes.</p>	

**PEER EDUCATION AND RESOURCE COUNCIL (PERC)**

**MEETING MINUTES ATTENDANCE**

**Wednesday, August 19, 2009**

**EDS/Forbes Field, Topeka, KS**

**PERC Board:**

**Pamela Shaw, MD-Chair  
Jeff Pierce, Pharm D  
Brandan Kennedy MD  
Susan Laudert MD**

**Sallie Page-Goertz, ARNP  
Donna Sweet MD  
Eric Atwood DO**

**KHPA:**

**Debbie Huske, KHPA  
Tamara Demmitt, KHPA  
Margaret Smith, MD, KHPA  
Tracy Conklin, KHPA  
Wayne Wallace MD, KHPA**

**Susan Wood RN, BSN, Managed  
Care  
Janelle Garrison, RN BSN, Managed  
Care**

**EDS:**

**Jan Provost, Quality Assurance  
Supervisor  
Tracy Wagner, SUR Supervisor**