

**PERC Meeting Minutes**

Date: February 18, 2009  
 Time: 10:00 am – 2:00 pm  
 Place: EDS

Attending :  
 Refer to face sheet listing

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

<b>Topic</b>	<b>DISCUSSION</b>	<b>DECISION AND/OR ACTION</b>
<p><b><u>Review of Minutes &amp; Introductions</u></b></p>	<p>Review of minutes from October 22, 2008.</p> <p>Introductions of members and guests.</p>	<p>Minutes approved.</p>
<p><b><u>Budget Update</u></b></p>	<p>Dr. Margaret Smith, KHPA states she understands Governor Sebelius has signed the revised budget from the legislature on 2/17/2009. It appears there will be a change in education. The good news for Medicaid was that their caseload was not affected or reduced. Reductions do affect budget overall and budget shortfalls have affected KHPA administrative areas and contracts. A hiring freeze was initiated at KHPA but that no lay-offs have been needed to date however key positions remain open. A PERC member inquired about the key positions not currently filled by KHPA. Dr. Smith gave an example that the Director of Quality position is currently open and cannot be filled. Chris English added that there are positions in Operations open. These are business analysts' positions and explained that Business Analysts perform testing on the systems adding that the System has been fairly stable over the last few years. He said that filling the Business Analyst positions is not considered crucial at this time.</p> <p>The budget for next year has not been drafted yet or revised and KHPA does not know what will happen for next year. (2010) KHPA is hoping there will not be reductions in caseload for next year. One thing concerning KHPA is that Medicaid has such a lean administrative component any significant reductions could affect provider rates or services that KHPA provides. On the federal front, it appears the stimulus package was approved and signed by the President. Within that package; approximately \$400 million dollars could come to Medicaid. In order to get that money or a part of that money; KHPA would have to continue their effort. Dr. Smith expressed hope that reducing eligibility and services to the current recipients was not an option. There is an understanding that if the budget is reduced in either of these categories then KHPA cannot qualify for the money from the federal government through the stimulus package. It is up to the legislature to determine what to do. Dr. Smith indicated that there is a possibility of freeing up SGF funds so they could be used elsewhere in the state budget but the Legislature has to decide this issue over the next few months. The money from the stimulus creates a potential increase in our federal matching percentage which the State lobbied hard for. She stated that it appears Kansas may not</p>	

	<p>be receiving as much as other states as our changes in the unemployment rate did not get” fat enough” for us to receive a higher percentage. There was a compromise which gave KHPA about \$100,000,000.00 more dollars and the Legislature will have to make the decision on how to use that money. The SCHIP reauthorization was signed by the Legislature as well. Last session the state legislature approved an increase to 250% of poverty level. KHPA currently receives a 72/28% (72 % federal funds and 28 % state funds.) - match rate for SCHIP. KHPA estimated 1.2 million will have to come from state general funds to achieve the 250% poverty level eligibility. Dr. Pam Shaw asked if there will be provider rate reductions for Fiscal Year 2010. Dr. Smith stated that it was a possibility and a proposed budget has been send to the Legislature who will decide which recommendations to move forward with.</p>	
<p><b><u>Pharmacy Policy</u></b></p>	<p>LeAnn Bell, KHPA Pharmacy Program Manager introduced herself. LeAnn explained how Third Party Liability affects pharmacy billing. Effective January 12, 2009 pharmacy claims started denying if the MMIS files reflected the beneficiary had other insurance that was not billed prior to billing Medicaid.. Medicaid is the payer of last resort however previously KHPA did not deny claims if TPL was indicated on the beneficiary file. KHPA is editing TPL and if the file indicates the beneficiary has other insurance the pharmacy provider will be told to bill primary first and Medicaid second and the new process is going well. LeAnn stated that there have been some issues with mail order pharmacies because some will not bill both a primary and a secondary insurance. A remedy for these situations is being worked on. Currently the beneficiary pays the entire sum upfront and then KHPA processes a reimbursement. If the pharmacy or beneficiary has a problem accessing medications they should call customer support. If the beneficiary no longer has primary insurance as indicated on MMIS files, there is a process in place in which beneficiary files will be updated as soon as KHPA is notified of other insurance information so that claims are adjudicated accordingly. Shelly Liby verified that here is a fast track e-mail process in place to get files updated in an expedient manner. LeAnn said that the Fiscal year 2010 estimate of savings for KHPA is approximately 8 million dollars.</p> <p>LeAnn also informed the PERC Committee of the new Automated Prior Authorization process for medications. The system will check claims history and automatically generate a PA if criteria are met. Most of the current Preferred Drug List classes have already been placed in the Automated PA system, as well as some other individual drugs. . Some medications will never be able to go on automated PA due to the potential complexity of the criteria.</p> <p>LeAnn stated that there could also be new edits created in the system to identify prescription that are written in large doses for mental health drugs. In the future, these claims could kick out and not automatically be paid without review the provider would be called to verify strength and dosage. This same process could be used should a claim come through with multiple doses in the same class. She said that the Mental Health Advisory committee will come up with the guidelines and that no PDL will be created for this. She did state that for the MediKan program a PDL can be created.</p>	

<p><b><u>Provider Survey Results</u></b></p>	<p>Chris English, KHPA Senior Manager of Managed Care, introduced himself and Laura Sanchez with the Kansas Foundation for Medical Care (KFMC). Chris stated that the Provider survey was very unique and special this year. In the past, each company (Managed Care Organization) would have their own survey. This year the same survey was fielded to compare all 3 networks, Health Connect (HCK), Unicare and Children’s Mercy Family Health Partners (CMFHP) and not overlap providers being surveyed. Laura Sanchez led the project for KFMC. A Copy of the packets and survey results were given to the PERC committee. Laura said that KHPA and KFMC appreciate the input provided from survey questions. She said it was identified that fewer offices limited their services to HCK and more providers provided service to members assigned to CMFHP and Unicare. 769 provider offices were mailed a survey. The response rate was not quite what they hoped for even though reminder cards were sent as well as follow-up phone calls. She stated there were not a lot of significant differences in 3 surveys. The surveys were addressed to office managers within practice for 5 or more years. Responses were received from multiple disciplines within these groups. The survey results identified some strengths to program management as well as areas for improvement. CMFHP, Unicare and HCK all had greater than 90% satisfaction with their program. The results show that there was 90% satisfaction in being a primary care provider, 90% of the providers indicated the provider manuals were useful for Unicare and CMFHP but the percentage for HCK was 89%. Laura said that the survey revealed areas of improvement and there was statistically significant differences regarding if information on the website was somewhat useful or very useful. CMFHP and HCK had the highest rate at 98% and 99 % while. Overuse of the ER was a consistent comment by providers. Compliments from providers were also noted. Chris English said that KHPA was pleased with the results and there is a need for improvement</p>	

	<p>in certain areas but they did not see anything that was a surprise. He said that KHPA recognized that new member education has always been a struggle. KHPA will be putting the information of the survey on the web. He also stated that KHPA is planning next year's provider surveys and suggestions were made to have the option of web based survey. Overuse of the ER was a consistent comment by providers. Compliments from providers were also noted.</p> <p>Chris English said that KHPA was pleased with the results and there is a need for improvement in certain areas but they did not see anything that was a surprise. He said that KHPA recognized that new member education has always been a struggle. KHPA will be putting the information of the survey on the web. He also stated that KHPA is planning next year's provider surveys and suggestions were made to have the option of web based survey.</p>	
<p><b><u>2008 HEDIS and CAHPS summary</u></b></p>	<p>Chris English went over the HEDIS and CAHPS survey. He said the surveys were very similar to the provider survey but are a beneficiary satisfaction survey and is a nationally recognized and comparable satisfaction survey created by NCQA.. Results from the HW21 or SCHIP general child survey tells readers that compared to our region and national scores KHPA is doing well. No survey responses fell below the national benchmarks. The survey was split out by MCO and Title19. This year a column was added for HCK. The comparison identifies that some companies (programs) are rated a little higher than other programs. The beneficiaries that responded indicated that getting care quickly was important to them and better provider communication was needed. The responses indicate that consumers do not care to wait more than 15 minutes for an appointment. This concern showed a percentage of 80% and appears to take place more often in HCK than other programs. Chris thought this could be because the population in HCK has more SSI and many of those consumer's have more health concerns. He said there are also different patient mixes as there are more adults than children in the HCK program. KHPA would like these statistics to improve acknowledging that the national results are also low. KHPA will place the information on the website distributing the results to a wider audience. The sample drawn from the member pool to receive a survey was random and no specific program was isolated in the mailings. There was discussion that possibly in the future the survey could be broken down by region to get a better picture of the population and their responses. Chris said they would take that idea under consideration. Dr. Smith added that KHPA has a website to report quality to be demonstrated later in this meeting.</p> <p>Chris English reviewed the HEDIS results with the committee. He explained that HEDIS stood for Health Care Effectiveness Data Information Set. HEDIS was put forth by NCQA and is a set of measures that over 90% of Managed Care programs use. KHPA is heading toward using those same measures for Fee For Service too. The results of the survey identify need for improvement in access to care, comprehensive diabetes care, and prenatal care. Antibiotic therapy and lead screening were added this year and will be reported in 2010. The survey did</p>	

	<p>show some room for improvement however, the scores were not bad. The survey revealed Unicare is scoring well in their access but they were less impressive in prenatal care. Clarification was requested by the PERC committee for specifics on the measurement related to prenatal care. Chris stated that the results also revealed statistics regarding comprehensive diabetes care and that the number of HGB-A-1-C testing are low compared to the national benchmark. KHPA has asked the 2 plans to work collaboratively on a performance improvement project (PIP) addressing issues with diabetes care. KHPA will report on the outcomes of this PIP in future years. The PERC committee suggested that the diabetes referrals may possibly be given to the patient but the patients may not be following through in getting their ordered lab work.</p> <p>Chris also verified to PERC that per the survey, access to primary care does not necessarily mean preventative medicine care visits.</p>	
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**PERM 2009**

Lou Ann Gebhards, KHPA introduced herself and told the committee that PERM stands for Payment Error Rate Measurement. She said this process came out of the Improper Payment Information Act (IPIA) of 2002. In 2001 Congress decided that states needed some sort of standard way to measure errors in payment so in 2006 they came up with this process. 17 states participate during each 3 year cycle of review and the intent is to come up with national error rate. Kansas was selected to participate in 2006 during the first cycle of states and received their error rate from that review period in November 2008. In the 2006 PERM cycle only a small number of Medicaid fee for services claims were reviewed over the period of a year. In 2009 PERM will be looking at both Medicaid and SCHIP Fee For Service and managed care payments, and eligibility determinations. This is a change as in 2006 they did not look at eligibility. We will use our current KHPA Medicaid Eligibility Quality Control (MEQC) staff to do the eligibility PERM reviews. They will look at eligibility determinations made by field staff and verify that the person is eligible for Medicaid. LouAnn also said that the claim sample size has changed from 2006. SCHIP payments will be sampled, both capitation payments and fee-for-service claims such as dental. The sample size will be increased to 500 claims for SCHIP fee for service and managed care and 500 claims for Medicaid fee for service and managed care.

LouAnn stated the review of these claims will be done by a contractor. Most of the errors found in 2006 were determined to be lack of documentation by the providers. The process is a review of one claim for one beneficiary for one provider and records may be requested for someone a provider might have seen 2 years ago.

KHPA issued an RFP to contract the work of obtaining and reviewing the records and received 4 responses. The budget does not allow the RFP to be awarded to any of the respondents and KHPA is coming up with another plan at this time. Eligibility will have a sample size of 1000 cases. Dr. Shaw asked what the difference was between what SUR does vs. PERM. Lou Ann indicated that they were somewhat the same but that SUR can ask for more records and go into a lot more detail whereas with PERM, records are generally needed for a single claim. Susan Wood stated that in the 2006 review there were just a couple of high dollar claims identified. She said the state actually disagrees with the national contractor's rate of error. Susan explained that SUR uses KHPA policy and existing rules. PERM contractors are reviewing cases from all 17 states. They gather state policies but at times during the 06 review, they used their own guidelines which differed from Kansas policy.

The CMS PERM -WEB link was provided to the PERC committee. Lou Ann said providers could potentially be receiving requests for records if they are part of the sample pull and if providers fail to provide records this could be determined as an error by PERM. Lou Ann stressed that it is important that providers respond to the request for records from the contractor for KHPA. PERC was concerned that there may be a possibility that a lot of money is being spent on this type of audit when the outcome for actual recoupment dollars does not come close to the dollars expended for the actual review.

Susan will provide the template letter that

		providers could receive for a PERM reviewer.
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<p><b><u>KHPA Quality Report Site</u></b></p>	<p>Susan presented new pages to the KHPA agency website (KHPA.gov) and showed the committee how to maneuver to the sites. She explained that on the left side of the site are links to take you to the quality sites. Susan also showed the committee how to get to the Medicaid transformation information.</p>	
<p><b><u>Next Meeting</u></b></p>	<p><i><b>The next meeting is scheduled for April 15, 2009.</b></i> 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, February 18, 2009**

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

**PERC Board:**

**Pamela Shaw, MD-Chair**

**Jeff Pearce, RPH**

**Brandan Kennedy MD**

**Sallie Page-Goertz, ARNP**

**Donna Sweet MD**

**Eric Atwood DO**

**KHPA:**

**Greta Hamm, KHPA**

**Tamara Demmitt, KHPA**

**Margaret Smith, MD, KHPA**

**LeAnn Bell, PharmD, KHPA**

**Shelly Liby, KHPA**

**Chris English, KHPA**

**Susan Wood RN, BSN, Managed**

**Care**

**Janelle Garrison, RN BSN, Managed**

**Care**

**LouAnn Gebhards, KHPA**

**EDS:**

**Jan Provost, Quality Assurance**

**Supervisor**

**Guests**

**Laura Sanchez, KFMC**