

**MINUTES OF THE
MEDICAID INTERIM COMMITTEE**

Friday, November 20, 2007 – 9:00 a.m. – Room W135 House Building

Members Present:

Sen. Allen M. Christensen, Senate Chair
Rep. Merlynn T. Newbold, House Chair
Sen. Gene Davis
Sen. Lyle W. Hillyard
Sen. Ross I. Romero
Rep. Stephen D. Clark
Rep. Tim M. Cosgrove
Rep. David Litvack
Rep. Paul Ray

Members Absent:

Sen. Sheldon L. Killpack
Rep. Brad Last
Rep. Michael E. Noel

Staff Present:

Mr. Mark D. Andrews, Policy Analyst
Mr. Leif G. Elder, Research Analyst
Mr. Russell Frandsen, Economist
Ms. Debbie Headden, Analyst
Ms. Catherine J. Dupont, Associate General Counsel
Mr. Thomas R. Vaughn, Associate General Counsel
Ms. Phalin L. Flowers, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Christensen called the meeting to order at 9:16 a.m. Rep. Last was excused from the meeting.

MOTION: Rep. Ray moved to approve the minutes of the November 2, 2007 meeting. The motion passed unanimously with Rep. Clark absent for the vote.

2. Follow-up on Long-term Care

Mr. Vaughn distributed and discussed "Long-term Care Options Cost/Benefit Analysis."

Mr. Elder distributed and discussed "History of Nursing Home Beds."

Mr. Michael Hales, Director, Division of Health Care Financing, DOH (Utah Department of Health), explained the difference between licensed and certified beds, and said that certified beds are approved for Medicaid and Medicare payers only.

3. Draft Legislation on 340 B Drug Programs

Ms. Dupont distributed and discussed 2008 General Session draft legislation, "Medicaid 340 B Drug Pricing Programs."

Rep. Litvack spoke in favor of the draft legislation.

MOTION: Sen. Davis moved to amend lines 36 and 51 of 2008 General Session draft legislation, "Medicaid 340 B Drug Pricing Programs," by deleting "May 15, 2008," and inserting "May 21, 2008," and to adopt the legislation as amended. The motion passed unanimously with Rep. Clark absent for the vote.

4. Medicaid Accountability

A. Presentation by the Utah Department of Health

Mr. Hales distributed and discussed "Medicaid Accountability." He explained how recipients of Medicaid attain accountability through (1) the technical advisory group, (2) the no show policy, (3) cost sharing, (4) the waiver program, (5) lock-in and restriction program, (6) emergency room services, (7) managing chronic disease, and (8) a health program representative presentation.

Dr. David Sundwall, Executive Director, DOH, said that if there are expectations for Medicaid patients, they will receive better healthcare.

B. Presentation Mr. Russell Frandsen

Mr. Frandsen distributed and discussed "Utah Attorney General's Office: Medicaid Fraud Control Unit ("MFCU")."

Mr. Dave Stallard, Medicaid Fraud Control Unit, Utah Attorney General's Office, answered committee questions regarding the Medicaid Fraud Control Unit.

C. Presentation by the Office of Recovery Services

Mr. Mark Brasher, Director, ORS (Office of Recovery Services), and Ms. Sandra Langley, Assistant Attorney General, representing ORS, spoke to the Committee about legislation ORS would like to have considered during the 2008 General Session concerning placing liens on the homes of individuals that owe the state Medicaid dollars.

Mr. Dave Gessel, Vice President, Utah Hospital Association, explained that it is often difficult for hospitals to collect copays from Medicaid patients. He also explained that, by federal law, hospitals must treat noncitizens until they are medically stable.

Ms. Michelle McOmber, Utah Medical Association, clarified that providers are reimbursed a percentage of charges, but physicians are excluded from that reimbursement. She said that physicians are reimbursed by a fee schedule. Ms. McOmber also explained that physicians are not usually employed by hospitals and bill patients separately.

Mr. Frandsen answered committee questions.

D. Presentation by Mr. Russell Frandsen and Mr. Leif Elder

Mr. Frandsen and Mr. Elder distributed and discussed "Client Accountability: Approaches in Other States." They discussed ways that Idaho, West Virginia, Florida, and Kentucky are giving incentives to Medicaid patients to take responsibility for their health.

Mr. Elder also distributed and discussed "West Virginia: Medicaid Member Agreement" and "Florida: Enhanced Benefit Accounts Program."

Mr. Hales explained that DOH is waiting to see cost-savings and benefits of other states' accountability plans manifest themselves before implementing similar programs in Utah.

5. Draft Legislation Regarding Changes to the State Medicaid Plan

Due to lack of time, this item was not discussed.

6. Committee Discussion

Due to lack of time, this item was not discussed.

7. Other Items

The next meeting was set for December 12, 2007 at 9:00 a.m.

8. Adjourn

MOTION: Sen. Hillyard moved to adjourn the meeting. The motion passed unanimously with Sen. Davis and Sen. Romero absent for the vote.

Chair Christensen adjourned the meeting at 12:08 p.m.